



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

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DÁIL ÉIREANN

Déardaoin, 28 Bealtaine 2015

Thursday, 28 May 2015

Chuaigh an Ceann Comhairle i gceannas ar 9.30 a.m.

Paidir.
Prayer.

Ceisteanna - Questions

Priority Questions

General Practitioner Contracts

1. **Deputy Billy Kelleher** asked the Minister for Health if he will provide an update on the implementation of free general practitioner, GP, care for the under sixes; the number of GPs who have signed up to the new contract; and if he will make a statement on the matter. [21016/15]

Deputy Billy Kelleher: Will the Minister of State elaborate on this matter? My question arises on the back of the extension of the deadline, which I assume arises because there has not been a large uptake. There are genuine concerns that a large number of GPs do not find this contract as attractive as it might be.

Minister of State at the Department of Health (Deputy Kathleen Lynch): The introduction of universal GP care for all children aged under six years represents the first step in the phased introduction of a universal GP service without fees. The new enhanced service will involve age-based preventative checks focused on health and well-being and the prevention of disease. The contract will also cover an agreed cycle of care for children with asthma under which GPs will carry out an annual review of each child diagnosed.

The contract for the under sixes was issued to GPs by the HSE at the end of April following the conclusion of contractual discussions and the approval of fee rates by Ministers. GPs are self-employed contractors and it will be up to each individual GP to decide whether he or she wants to sign up and provide this new enhanced service. A substantial number of GPs have signed the contract to date. As of 27 May, some 830 doctors had returned signed contracts to the HSE. The executive anticipates the receipt of further signed contracts in the coming days.

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I am confident that there will be sufficient numbers of GPs participating to introduce the new service as planned.

The HSE plans to begin patient registration for the under sixes service on schedule in early June so that the service can commence in early July. In order for a doctor's details to be included in the HSE's online database when patient registration begins, signed contracts must be returned by 5 June at the latest. The HSE will continue to accept signed contracts after that date and will add the details of the doctors concerned to its database on an ongoing basis.

This service will be of great benefit to young children and their families. It involves significant new elements that support the Government's policy of keeping people well. It is tangible evidence of our commitment to the goals and objectives of the Healthy Ireland framework. I welcome the fact that this important new service will commence in July.

Deputy Billy Kelleher: I thank the Minister of State for outlining what has happened. We tabled our question because this is a key platform in the delivery of health care and the roll-out of universal access to GPs. It is also a stated policy of Government that feeds into the move towards primary care. The contract is important. The negotiation of the broader General Medical Services, GMS, contract is, conveniently, to conclude next April.

Let us be honest - free GP care for the under sixes does not appear to be getting off to a great start. Why has there not been a large uptake? Why are GPs not clamouring at the Minister of State's door to sign contracts?

Will the Minister of State clarify whether contracts are being offered to GPs who have not undergone the vetting process? This issue was reported at the weekend.

Deputy Kathleen Lynch: Neither I nor Deputy Kelleher would want to give a signal that, somehow or other, there are GPs practising who are not on the specialist register. They are all on it. The contract is not available unless a GP is on the specialist register. This reassurance needs to be made.

There has been a significant uptake. In the coming days, there will be more. It is not as if we will have a cut-off point on 5 June. Rather, that is the point at which we will start putting details online so as that young families can see who is available in their areas.

Delays resulted from the court case that was taken by an individual. The courts determined to give the HSE two weeks. However, there is no delay in registration or access. That process is going ahead. As we speak, more contracts are arriving. Deputy Kelleher will agree that GPs, by their nature, are cautious people, and so they should be, as they are dealing with the health of the nation. They want to consider what is available to them. In the main, though, they are signing up and we are receiving new contracts every day.

Deputy Billy Kelleher: What would the Minister of State consider a successful rate? The register will be published on 6 June and families will be able to see which GPs are partaking in the scheme. Geographical access will be important. The rate of uptake is one matter, but if large geographical areas see no uptake by GPs, has the Government a plan B?

Deputy Kathleen Lynch: There is no plan B. Plan B is not an option.

Deputy Billy Kelleher: The Minister of State does not contemplate defeat.

Deputy Kathleen Lynch: I never do, as the Deputy knows. He has known me for long enough. Even before this process began, we experienced difficulties with GP coverage in certain areas. Workforce planning in terms of what needs to be delivered in a primary care service in the community will always be a challenge for us.

As to what number I would consider a success, I would prefer 100%, but we will never get that. Certain practices do not have a large cohort of under sixes. Therefore, it will not be an issue for them. Whether the rate of uptake is 80% or 60%, as long as there is coverage in the country and options for young families, it will be a success. However, the real success was getting the commitment of a Government to introduce this scheme. I do not doubt that Fianna Fáil will support it as well.

Patient Safety Agency Establishment

2. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health the reason the Government decided to drop plans by the former Minister for Health, Deputy Reilly, to establish a patient safety authority and who described the proposal as a critical part of any new health service, stating that it must be underpinned by legislation; his views that a patient advocacy agency, as is now suggested, would operate to complement a patient safety authority that would be equipped to ensure enforcement of the Health Information and Quality Authority, HIQA, standards and recommendations; and if he will make a statement on the matter. [20886/15]

Deputy Caoimhghín Ó Caoláin: Despite the fact that the former Minister, Deputy Reilly, described the commitment in the coalition programme for Government to establish a patient safety authority as a critical part of any new health service, why did An Taoiseach announce in October 2014 that the Government was not proceeding to establish a patient safety authority on a statutory basis, opting instead for a patient advocacy agency?

Minister for Health (Deputy Leo Varadkar): I am strongly of the view that any new patient advocacy service should be set up independently of the HSE from the outset. For this reason, the HSE removed reference to the establishment of an interim patient advocacy agency from its service plan for 2015. My view has been supported by the recent recommendation made in the HIQA investigation report on services at Portlaoise hospital on the need to establish an independent patient advocacy service. HIQA's recommendation is that an independent patient advocacy service should be in place by May 2016. I fully agree with the recommendation and intend to see it implemented in advance of the timeline provided by HIQA.

The scope, role and functions of the independent advocacy service will be considered, with the appropriate structural, governance and funding arrangements that need to be put in place. My Department will be consulting widely on the best way to get the service up and running in the shortest possible timeframe. The role of the independent patient advocacy service will be to support and advocate for patients in their dealings with the health service. Regrettably, the health service has not been as responsive to patients who have had bad experiences as is required. A patient advocacy service can assist in redressing the balance in the relationship between patients and service providers.

Enforcement and implementation of HIQA recommendations are also essential. Creation of a further body, with a potentially overlapping role with existing statutory bodies such as HIQA, is not my preferred solution. In many ways, HIQA is already a patient advocacy agency and has

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very strong powers to monitor service providers' compliance with national standards, conduct targeted inspections and make recommendations. As part of my 2015 priorities, I committed to developing a new mechanism for demonstrating that HIQA's recommendations were being implemented by the HSE. Discussions are under way between my Department, HIQA and the HSE to finalise this mechanism which will see action plans to implement HIQA's recommendations transparently reported on and monitored. In the meantime, I have put in place a specific oversight mechanism for the implementation of the recommendations made in the Portlaoise hospital report. This process will be chaired by the Chief Medical Officer and will submit monthly reports to me which I will publish on a quarterly basis.

Deputy Caoimhghín Ó Caoláin: The Minister did not address my question at all. I understand he is not the author of what he has just read, but, not only in the question I posed to him but also in the brief introduction I delivered orally, I asked why a key component of the plan announced by the former Minister in respect of the Government's policy on health, namely, the patient safety authority, had been dropped. It was announced by the Taoiseach in October 2014 that there were no plans to proceed to introduce a patient safety authority. Surely it should not be a case of either-or between a patient safety authority and a patient advocacy agency. When the matter of patient health and safety is involved, one should complement the other. It is interesting that within two months of Deputy James Reilly's removal as Minister of Health this was the position articulated. I note this followed a statement from the Department of Public Expenditure and Reform on new structures, including the patient safety authority, describing them as being part of the proliferation of quangos. The Department of Public Expenditure and Reform is not known for its caring nature, let alone its knowledge and appreciation of the reforms necessary in the health service. Did the Minister, Deputy Brendan Howlin, play a role in influencing the decision not to proceed with the establishment of a patient safety authority?

Deputy Leo Varadkar: No. The Minister, Deputy Brendan Howlin, and the Department of Public Expenditure and Reform had no role to play in the decision, rather it was a policy decision taken by me. The plan before I took office was to establish a patient safety agency as a sub-agency of the HSE and the post of CEO of that sub-agency was advertised. The CEO would have been an employee of the HSE. I decided, however, that the original plan was wrong on two counts. First, a patient advocacy function should be independent of the HSE from day one. Staff should not be employed by the HSE; its budget should not be controlled by the HSE and it should be a separate entity, funded by my Department, for obvious reasons to avoid conflicts of interest. Second, the previous plan was to establish a patient safety agency that would, in fact, duplicate the functions of HIQA. HIQA has extensive patient safety agency functions. It is a patient safety agency which will have additional functions, including licensing, to enforce its recommendations in the future. Therefore, something different was needed. We did not need a duplicate HIQA as a sub-agency of the HSE but a totally independent patient advocacy service. That was my thinking, which has now been confirmed by the recommendations made by HIQA. My understanding is that the Deputy accepts HIQA's recommendations and supports the establishment of a patient advocacy service. Therefore, we agree on that point. Perhaps the Deputy might tell me what a separate and additional patient advocacy agency would add that is not already provided for.

Deputy Caoimhghín Ó Caoláin: The Minister is a very confused holder of his portfolio this morning. He should play back what he has just said. I fully accept that a patient advocacy agency is a requirement and the subject of one of the recommendations made in the Portlaoise hospital report. I also agree that it should be independent of the HSE. The current position

where Patient Focus has performed this role and performed it well for many years is that it is directly funded by the HSE, which is inappropriate. We are *ad idem* in that respect. However, a patient safety authority is an entirely separate proposition.

Deputy Leo Varadkar: How?

Deputy Caoimhghín Ó Caoláin: If the Minister allows me to answer, perhaps he might learn a little. The point is - the Minister knows it as well as any other voice in this House - that HIQA's reports, findings and recommendations are continuously ignored by the HSE. The Minister's Department is not playing the role it should have been in insisting on recommendations being acted on and implemented. We have report after report from HIQA with recommendations that have been ignored. We need a patient safety authority, acting not only on HIQA's recommendations but also the findings of reviews commissioned by the HSE, many of which have been completely ignored. We need a body with the power to act and ensure health and safety are always the critical factors, rather than budgetary considerations at the expense of people's lives.

Deputy Leo Varadkar: I am very glad that we agree that a patient advocacy service is needed and that it should be independent. It is not the case that HIQA's recommendations are ignored, as significant numbers are implemented. That has been the case, particularly in matters around hospital hygiene. The reports show that we now have the lowest MRSA rates in years. For example the rates for *Clostridium difficile* are falling. We have put an extra €5 million or €6 million into the ambulance service this year in response to HIQA's recommendations. However, not all of HIQA's recommendations can be implemented immediately. Some require spending, for which we do not have the capacity, while others are unlawful. For example, HIQA made a recommendation regarding the ambulance service, the implementation of which would have been unlawful. We would have had to change European law to implement it. It is not the case that HIQA is right about everything. If the Deputy talks to people who run nursing homes or nurses who work on a ward, they will give him chapter and verse. I agree with him, however, that we need to make HIQA's recommendations more enforceable. The way to do that is to give it the power to license hospitals. It would then have an added licensing function, to license hospitals to do X, Y and Z and if hospitals did not implement its recommendations, they would lose their licences. There is already that power in the case of nursing homes and care facilities, where HIQA can go to court to have them deregistered. I want to give it that power in the case of hospitals also. We do not need an extra agency to do this.

Cancer Services Funding

3. **Deputy John Halligan** asked the Minister for Health if he will confirm for the people of County Waterford and the south east the reason access to prostate cancer services at University Hospital Waterford is significantly below the national average, with only 16.7% of attendees seen within the target of 20 working days in January 2015; if any man has been sent to a private hospital to cope with this backlog; if he is aware that 50% of new attendees at the hospital's prostate clinic had a subsequent diagnosis of prostate cancer in February 2015; if the promised additional consultant urologist appointments for the hospital have been filled to address capacity issues in the hospital; if not, when they will be filled; and if he will make a statement on the matter. [20884/15]

Deputy John Halligan: Why is the level of access to prostate cancer services at University

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Hospital Waterford significantly below the national average, with only 16.7% of attendees seen within the target of 20 working days in January 2015? Has any man been sent to a private hospital to cope with the backlog? I draw the Minister's attention to the fact that 50% of new attendees at the prostate clinic in University Hospital Waterford received a subsequent diagnosis of prostate cancer in February.

Deputy Leo Varadkar: University Hospital Waterford has experienced problems in recent months in achieving the target set by the National Cancer Control Programme for rapid access to prostate clinics. The target is that 90% of patients be seen within 20 days of receipt of a referral. A number of actions have been taken by the hospital to improve the timelines of access for patients to prostate cancer services. These have included the referral of 37 new patients to St. Vincent's University Hospital in Dublin in February and the referral of 47 new patients to the Mater Private Hospital in November 2014.

Additional consultant urologists are required in University Hospital Waterford and the hospital has prioritised these appointments. One new consultant urologist commenced work in April and a second is due to commence work next month. When both consultants are in place, University Hospital Waterford will be better positioned to achieve the national access standards for prostate cancer services.

In February 2015 there were 24 new attendances at Waterford's prostate clinic and, of these, four patients or 17% not 50%, have had a diagnosis of primary prostate cancer. In total in February, 12 patients received a prostate cancer diagnosis but it is important to say that some of these were not new attendances and they were not seen for the first time in February.

In conclusion, the development of prostate cancer services in Waterford has been identified as a priority and because of that significant service enhancements are now under way and the private sector is being used in the interim.

Deputy John Halligan: In the first few months of this year only one in every six men with potential symptoms of prostate cancer were referred to the prostate clinic in Waterford. Only one in eight men nationally were seen within the recommended deadline of 20 days of referral. The clinic is supposed to provide rapid access yet delays in filling staffing shortages in Waterford University Hospital have resulted in the longest delays. That is very worrying because according to the HSE's own figures, half of the men referred to the Waterford clinic were subsequently diagnosed with prostate cancer. I do not need to remind the Minister that early diagnosis is key to the survival rate of patients with prostate cancer.

We were promised additional consultant urologists. Could the Minister confirm whether he said a urologist who was appointed in April is now working in Waterford and that ancillary staff are in place?

Deputy Leo Varadkar: It is a side point but it is important to get the facts right, in particular if some of this is going to be covered in local media. Approximately one in six new patients are diagnosed with cancer on referral, not half. What Deputy Halligan is including there are people who were already diagnosed previously and are returning to clinics.

Deputy John Halligan: I accept that.

Deputy Leo Varadkar: I wish to be clear on that. It is not that half of people referred have prostate cancer. That would never be the case for a cancer clinic.

What has happened is University Hospital Waterford needed more staff and it was hard to get the staff. The private sector has had to be used in the interim and will be used if needs be. I do not like doing that but I have no qualms doing it if it is necessary for patients to get timely treatment. Recruitment for consultants is difficult. Deputy Halligan will know that the socialist high tax, low pay policies he supports would make it much harder to recruit the necessary staff. If he honestly believes that it would be easier to recruit consultants to Waterford by increasing income tax on those who are well paid, he does not have the interests of his constituents at heart.

Deputy John Halligan: I wish to make two interesting points. First, internationally, Ireland ranks among the lowest in Europe for urologists *per capita*. A recent European survey stated that there were only 23 urologists in Ireland representing a rate of 3.2 specialists per 100,000 males aged 40 and over. In Spain, the rate is 19 specialists per 100,000 of similarly aged males.

Hospital workers told me during the week that we could double the amount of urologists in Waterford and we would still not have enough to address the referrals. Does the Minister acknowledge that? I also understand that many patients who were on elective urology waiting lists had appointments cancelled because we simply did not have additional beds or theatre space. That has nothing to do with the cost of appointing a urologist. I am telling the Minister what staff in the hospital told me. Anytime I am in the hospital I speak to consultants and others about the relevant issues. They told me that the prime concerns are space, beds and ancillary staff. Therefore, even if we were to appoint urologists we do not have the facilities in place.

Deputy Leo Varadkar: I said we appointed one urologist already and another will start next month. In view of the growing population and the fact that there will be more older men every year for the next 20 years or 30 years - I will get there at some point - we will need to increase the number of urologists every year. It may well be the case that we need to double the number of urologists in the next five to ten years. It is not an easy thing to do. It costs money. We need to be competitive with other jurisdictions such as the United Kingdom, Canada and America, which is the reason it is important that people do not vote for candidates who would impose high taxes on people who we are trying to recruit back home. That is why it is very much in the interests of people in Waterford who may have a cancer diagnosis that they do not vote for Deputy Halligan's politics at the next election. That is very important. It is not just consultants who are hard to recruit, we are also having difficulty recruiting theatre nurses. There is theatre space in Waterford but it is difficult to recruit theatre nurses as well. We are embarking on a campaign overseas and in the UK over the summer to try to improve the situation.

Deputy John Halligan: All I can say to the Minister is that he is completely out of touch with how people feel about hospital services in Waterford.

Services for People with Disabilities

4. **Deputy Colm Keaveney** asked the Minister for Health the measures he will put in place to reduce waiting lists for disability-specific services; and if he will make a statement on the matter. [21017/15]

Deputy Colm Keaveney: People with disabilities continue to face harsh cuts. The objective of the question is to find out what plans the Minister of State has to invest in services where there are deficits across the country, in order to ensure that people with disabilities on waiting lists can have a fulfilled opportunity to play an active role in society.

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Deputy Kathleen Lynch: I appreciate the question but before I read the formal reply I should say that the budget for services, which is the focus of the Deputy's question, has not been cut. As a matter of fact there has been an increase.

The Government currently provides funding of approximately €1.5 billion to the disability services programme through the Health Service Executive's national service plan for 2015. The HSE aims to ensure that the resources available are used to best effect, in order to provide assessment and ongoing therapy to children and adults in line with their prioritised needs. However, it is acknowledged that current waiting lists for some therapeutic supports are high. We are coming from a very low base.

In 2013, additional funding of €20 million was provided to strengthen primary care services. This comprised €18.5 million for the recruitment of more than 260 primary care team posts and more than €1.4 million to support community intervention team development. In 2014, the roll-out of the Progressing Disability Services for Children and Young People programme entailed targeted investment of €4 million and the provision of 80 additional therapy posts, to improve services for children with all disabilities. As of 30 April 2015, a total of 47 of the 2014 posts have been filled, a further 20 are at the stage of "post accepted" and the process is ongoing for the remaining posts. A further €4 million allocation was announced in 2015 to continue work on this programme. I am confident that the additional resources being invested in both primary care and disability services will have a positive impact on the provision of clinical services to all children with disabilities, including those who may currently be on waiting lists to access therapy inputs.

Deputy Keaveney probably knows better than I that we are coming from a low base. The difficulty is that we are building up a system in order to ensure that people do not have to wait more than 12 months.

Deputy Colm Keaveney: My question relates to disability services as opposed to the cuts to mainstream services that are taking place. I thank the Minister for the response on the specific area of investment in waiting list reduction. Currently, more than 400 people with disabilities are on a waiting list for speech and language therapy. A total of 1,000 people are waiting for physiotherapy. In particular, I am concerned about the growing waiting list for personal assistants. More than 520 people with disabilities are waiting for personal assistants and 680 are waiting for home help hours.

I welcome the renewed focus to address those waiting lists, as opposed to the cuts that have taken place with respect to mainstream services such as cuts in disability allowances, fuel allowances, drug payment schemes and the increase in prescription costs, among others. I am separating the issues in the response. I am particularly interested in the focus of investment on tackling waiting times with a greater urgency. The issue is critically important. Waiting times are of concern, and I am particularly alarmed at the volume and number of people who are waiting.

Deputy Kathleen Lynch: We are agreed on the point that these waiting lists are unacceptable and they need a particular focus.

10 o'clock

That is why in 2014 the HSE began a waiting lists initiative using innovative approaches, including public voluntary and private providers, in order to achieve targeted reductions in

waiting lists. The initiatives will continue to be funded this year. Given that we have provided additional resources of €20 million, plus €4 million for those aged up to 18 years, it is unacceptable that waiting lists continue to be as they are. I agree with the Deputy that the focus needs to remain on waiting lists for speech therapy and physiotherapy, in particular.

Deputy Colm Keaveney: I compliment the Minister of State on focusing on this issue and her acknowledgement that it is unacceptable that waiting lists are spiralling in the light of the fact that, in theory, there has been some investment, although it is insufficient. In the light of the slightly unedifying spectacle on the last Priority Question about taxation, we need to see greater urgency. I would be grateful, therefore, if the Minister of State spoke to the senior Minister in that Department to secure greater resources. This issue needs greater urgency and focus and there also has to be greater political will. I do not doubt that the Minister of State has that political will, but perhaps the Minister needs to reflect on the scale of investment required to tackle the spiralling waiting lists.

Deputy Kathleen Lynch: The one thing I have learned in this job is that to rush system reform is to do it badly. In fact, both the project and the system should be well thought out and managed. We are building a system that will respond, but the building of the system will take time because, as the Minister rightly said in his last reply, it is quite difficult to get people through the recruitment process. We are having the same difficulties in disability services as in acute hospitals. In fairness to my parliamentary colleagues, there has never been resistance to the budget for the delivery of services. While I do not have responsibility for the social protection element, as the Deputy knows, in the case of the element for I have responsibility, I have received nothing other than complete support.

Hospital Waiting Lists

5. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health if he will provide the details of all public hospitals using private facilities to provide treatment for those on waiting lists; the number of cases that have been treated in this manner; the cost of same; the locations where it has taken place; if potential conflicts of interest have been identified or investigated; and if he will make a statement on the matter. [20887/15]

Deputy Caoimhghín Ó Caoláin: I seek details of all known public hospital referrals to private hospitals and so-called private addresses on the same or adjoining facilities and ask the Minister if he sees potential for abuse in such arrangements.

Deputy Leo Varadkar: Reducing long waiting times for hospital treatment is a key priority for the Government. Last January, taking into account current pressures on acute hospital services, I directed the HSE to ensure maximum permissible waiting times for inpatient and day case treatment, or a first consultant-led outpatient appointment, of 18 months by mid-year and 15 months by year end. In February, shortly after the 18 month maximum waiting time was announced, the number of inpatient and day case patients requiring treatment by the end of June to achieve that requirement was 4,995. As of last Friday, 22 May, this number had reduced by about half to 2,693. The HSE, in conjunction with hospital groups, is focused on delivering treatment targets through maximising the use of existing capacity within and across hospital groups in the first instance. However, there are key limiting factors, primarily in terms of theatre nursing staff and consultant manpower in particular specialties. Consequently, it has been determined that up to 1,500 inpatient and day case procedures may need to be outsourced.

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A notice to tender for the provision of these services was issued on Friday, 15 May by the HSE, with a view to contracting with service providers this week. It is anticipated that the outsourcing of treatment to private facilities will commence shortly and conclude by the end of June. The HSE has advised that the number of inpatient and day case patients waiting over 18 months will have been reduced by 98% between the announcement of the maximum permissible waiting time in January and the end of June.

As regards outpatient appointments, the number at risk of breaching the 18 month maximum waiting time by the end of June has reduced by 7,773 within the past seven weeks. As well as initiatives similar to those for inpatient and day case treatment, regular intensive waiting list validation and additional clinics will be used to further reduce waiting times for outpatient appointments.

Deputy Caoimhghín Ó Caoláin: In the context of this question, have potential conflicts of interest been identified or investigated, to the Minister's knowledge? Does he agree that a system where such referrals are allowed is open to abuse and presents a potential conflict of interest, at the very least? Given that practitioners are being paid in these instances a second time for work they are already contracted to do and handsomely paid to carry it out, does the Minister not believe a very serious scrutiny of the practice is required, if he has not already embarked on such? In case he is not aware, I refer him to a parliamentary question for written reply which I submitted earlier this week which draws his attention to the fact - I repeat it is a fact - that this double jobbing, double pay abuse, is not confined to front-line practitioners within hospital services but applies also, apparently, to some managers and directors of services at hospitals and other settings within the HSE. Will he act to root out all such potential conflicts of interest across the health service?

Deputy Leo Varadkar: I am not aware of any particular abuse that has been identified. If the Deputy wants to write to me with the details and evidence, I will certainly have the matter investigated, as is always the case. As this initiative has only started in the past couple of weeks, it is too soon, obviously, to have it audited. It is necessary. Having people waiting so long for outpatient appointments and treatment is a huge risk. Frankly, I do not think waiting periods of 15 months and 18 months are particularly ambitious targets, as the figure should be a lot less than that and closer to three or six months. However, we are doing what we can within available resources.

I accept that there is certainly potential for conflicts of interest. There is also potential for moral hazard because, when one pursues waiting list initiatives such as this, one sometimes ends up rewarding those who are not performing and those who are not keeping their waiting lists down and there are, of course, other risks. However, in this case, we really had to put patient safety and patient outcomes first, ahead of all those legitimate concerns about initiatives such as this.

One thing that is very different between what is being done and what was done by the NTPF is that it is not a case of people self-referring. What is happening is that somebody is going through the waiting lists, validating them, finding the people who are waiting for very long periods of time and offering them treatment. Where it is possible, we are using existing public facilities, but, sometimes, that is not possible. To give one simple example, there is just not enough theatre space in Crumlin hospital to undertake the number of scoliosis operations that need to be performed on young children. As a result, a number of cases have been dealt with in Blackrock, Temple Street and Cappagh hospitals, as well as in other public and private

hospitals, and more will be dealt with because that is what is required.

Deputy Caoimhghín Ó Caoláin: My concerns have been sharpened in the recent past - not for the first time in my political experience - by actual cases that have been presented to me where people either do not have private health insurance or their plan is inadequate to cover the cost of the procedure they need and they are being told about inordinate waiting times. At the same time, however, they are being pushed into the private system, with the same consultant in the same hospital, if they furnish five figure sums - fact - and it is then a case of, "We can see you in the next two to three weeks." This puts those families in financial distress as they are not the people with ready cash to pay for it. They are already struggling in life and this is a hugely important moment, a challenge to either the man or the woman, in the case about which I speak, and his or her family. This is an absolute outrage and it has fed an ever-growing view in society that there is an abuse involved, whereby waiting lists are being created to put further pressure on those who are waiting to drive them towards "pay up and pay out" to line the pockets of those in this mode in front-line practice. They bring only shame on their profession in my view.

An Ceann Comhairle: Sorry, this is Question Time. Thank you.

Deputy Caoimhghín Ó Caoláin: It is time the Minister and the Department faced it head on.

An Ceann Comhairle: Again, I must stress that the more time we spend on priority questions, the less time there is for the backbenchers to get their questions reached. Will Members adhere to the times allocated?

Deputy Leo Varadkar: I do not believe people are deliberately creating waiting lists to pressurise people into paying out of pocket or to take up health insurance. Health insurance does not cover pre-existing conditions, so it would not cover it anyway in such cases. Quite frankly, waiting lists sometimes are badly managed. One has to drill down into them to really understand them. When I looked at some recently, I noted when it came to surgical procedures and day cases, people being seen within three months were being seen quicker. So, there were more people being seen quicker but then at the tail-end, there were people being put on the long finger for longer. That is a particular problem.

There are significant capacity constraints and it is for that reason the private sector is being employed.

Other Questions

An Ceann Comhairle: The Deputy who tabled Question No. 6 apologises that he is doing a radio programme. The Deputy who tabled Question No. 7 is not present in the Chamber.

Questions Nos. 6 and 7 replied to with Written Answers.

Hospital Waiting Lists

8. **Deputy Billy Kelleher** asked the Minister for Health when the upward trend in hospital waiting lists is expected to be halted; and if he will make a statement on the matter. [20781/15]

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Deputy Billy Kelleher: We have discussed this issue on many occasions. It has been raised with the Minister at the health committee at which it has been suggested it be dealt with by the National Treatment Purchase Fund, some other assistance from elsewhere or the provision of additional resources to the public system. Something has to be done. The pretence we are getting on top of waiting lists needs to stop. People are now waiting alarming lengths of time to see a consultant on an outpatient basis.

Deputy Leo Varadkar: Reducing long waiting times for hospital treatment is a key priority for the Government. To comply with the commitment which I announced in late January of a maximum permissible waiting time of 18 months by the end of June and 15 months by year end, the Health Service Executive, HSE, has put in place specific measures to address waiting lists more efficiently in collaboration with acute hospitals, the special delivery unit and the National Treatment Purchase Fund.

The effect of these measures is already evident. In early February, a total of 4,995 patients required treatment to achieve that measure. As of Friday, 22 May, this number had reduced to 2,693.

The HSE, in conjunction with hospital groups, is focused on delivering on this requirement through maximising the use of internal capacity within and across hospital groups in the first instance. However, there are key limiting factors, primarily in terms of theatre nursing staff and consultant manpower in particular specialties. Consequently, it is recognised that judicious outsourcing is also required and this is being managed through a public tendering process.

The elimination of the longest waiting periods for treatment is a key performance objective for 2015. Its achievement will allow for progressive improvement in access to treatments throughout the year.

Deputy Billy Kelleher: I want to bring the Minister's attention to the statistics for several regions. In Waterford, for example, 27,156 people are waiting for an outpatient appointment, of whom 11,127 have been waiting 12 months or longer. That is up almost 2,000 people since January 2015 and up 8,935 in a year. That is the way the trend is going. While there may be dips from time to time, the overall trend is in one direction and it is an alarming problem.

In Cork, the figures reveal 52,000 are on outpatient waiting lists at Cork University Hospital, the Mercy and South Infirmity Victoria. Almost 13,000 people are waiting longer than 12 months for an outpatient appointment. This is not for an inpatient appointment but someone's first contact with a consultant. It is quite alarming.

Whether the Minister has to admit defeat or otherwise, I do not mind how he does it. However, he has to do something to ensure that these people can access treatments and additional capacity is provided. If it requires using the private sector, so be it. Something must be done and quickly.

Deputy Leo Varadkar: It is important to understand the figures. The higher figure will always be high. It is anyone who is waiting for an outpatient appointment for any period. That includes people who are waiting two weeks or two days. As health services expand, more consultants are appointed and more clinics are established, that number will always be high. That is the way it works.

What we do need to address is people waiting too long. The figures the Deputy used are for

people waiting for over a year which is a patient safety risk. Anyone who is currently waiting over a year will have their appointment by the end of the year. We will use whatever additional finance is necessary to do that. Unfortunately, in a number of sub-specialties, the relevant specialists just do not exist. We will either have to offer people appointments abroad or, in some cases, may not be able to offer them an appointment as I would so wish. It will not be financial constraint, however, that prevents that from happening.

There is a bigger picture too. Waiting lists need to be better managed. Significant numbers of people do not turn up for the appointments for which they have been waiting ages. Significant numbers of people on waiting lists are not really on them at all as they already have been seen by a different consultant or may have subsequently gone private. We also have a problem with referral rates. The numbers referred is increasing more than it should be. Often people wait for a long time to see a consultant, only to be told that they did not need to see the consultant at all or need to see a different consultant. We need to improve the quality of referrals from general practice into secondary care. The e-referral programme is a big part of that.

Deputy Billy Kelleher: We have been talking about these particular issues for a long period and the overall challenges facing services. The Minister spoke about referrals. At the same time, general practitioners, GPs, are unnecessarily referring more people to the acute hospital system and to consultants due to lack of resourcing in primary care. GPs are effectively looking at the number of people outside their surgery doors. The Minister is one himself, so he should know how it works. Any condition that is complex or needs further analysis will often be referred on because the GP does not have the time, resources or systems and is under pressure. That is one reason there are more people going on to the waiting lists.

There is no point in us pretending but there has been a massive increase in the number of people waiting over a year. In Cork, it is almost a 600% increase. I accept the more consultants and lists one has, the bigger the headline figure will be. The one underneath that, namely people waiting a year, does not lie. That is simply because there is no capacity in the system.

Deputy Leo Varadkar: It is a combination of factors. There are inappropriate referrals. Ask any speech and language therapist, any physiotherapist or any consultant and they will tell one about inappropriate referrals, namely people who should not have been sent to them in the first place. This happens, unfortunately, and needs to be better addressed. I hope the e-referral system over the next several years will allow us to tackle this well.

The Deputy is correct that there are issues in general practice. People have been referred to consultants and hospitals for 24-hour holter monitoring or minor surgical procedures, all of which could be done in general practice if it were properly funded and GPs were remunerated accordingly. That is one of the items that is now in discussion as part of the new general medical services, GMS, contract, namely better remuneration for GPs and encouraging them to do 24-hour monitoring, suturing and other minor procedures. The minor surgery pilot is already funded for this year to cover some of these.

There is a mix of issues involved. However as I said earlier, anyone who is waiting a year or more for an outpatient appointment should have that by the end of the year with the exception of a few small specialties where the specialists do not exist.

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Mental Health Services Provision

9. **Deputy Mick Wallace** asked the Minister for Health his plans to establish an acute mental health unit in Wexford General Hospital in view of the fact that the need for same has been long recognised; and if he will make a statement on the matter. [20549/15]

Deputy Mick Wallace: I accept putting patients in acute mental health beds is not ideal or seen as best practice. When A Vision for Change, a good document, was published in 2006, it looked away from locking up people behind walls and drugging them to their eyeballs. The plan, however, was that the acute bed units would not be done away with until there was enough support and facilities in the community to replace them. This has not really happened and A Vision for Change has remained just that, a vision.

Deputy Kathleen Lynch: The HSE Waterford-Wexford mental health service serves a population of nearly 280,000. The executive is continuing its approach to develop integrated mental health care across both counties.

The significant funding provided by this Government is enabling Waterford-Wexford mental health services to implement the recommendations of A Vision for Change, to move from a traditional hospital-based model to a more patient-centred and community-based care.

In 2010, the acute mental health unit in St. Senan's Hospital, Enniscorthy, County Wexford was amalgamated with Waterford mental health services to provide a 44-bed acute inpatient mental health unit in University Hospital, Waterford. In addition, arrangements are in place whereby service users who live in north Wexford, and who attend Tara House mental health services in Gorey and require acute inpatient admission, have access to Newcastle Hospital, County Wicklow. Overall, 49 acute inpatient beds are available in the area which meets the requirements set out in A Vision for Change. Development of community mental health services include day hospitals and associated services at Wexford, New Ross, Enniscorthy and Gorey.

In addition, mental health services covering Wexford include Tara House in Gorey, Carn House in Enniscorthy, Summerhill in Wexford, Maryville in New Ross and a suicide crisis assessment nurse service available in Wexford. The latter provides a skilled mental health nursing service for those in suicidal or self-harm situations. This is based at the emergency department in Wexford General Hospital where there is a liaison nurse-led, seven-day service. In July 2014, a new purpose built crisis respite unit opened in Enniscorthy, providing ten respite beds for service users referred through a community mental health team, for respite care.

The Deputy will be aware that the Health Service Executive has statutory responsibility for the planning and delivery of services at local level, and that any new service or capital development proposals can only be considered and prioritised in the context of the annual HSE national service plan, and the multi-annual health capital budget. I understand that the HSE has already supplied the Deputy with a more detailed response on 28 April 2015 to his recent parliamentary question on this matter.

Deputy Mick Wallace: There are day hospital services in Wexford, as the Minister of State has listed, but they are closed after 5 o'clock in the evening. To gain access to those services people need a referral letter from their general practitioner. What is a family supposed to do if a family member is in acute crisis and suicidal? The person has to go to an accident and emergency department and sit in a corridor or on a trolley waiting to be accessed. As there is no

consultant psychiatrist in Wexford General Hospital, the psychiatric liaison nurse will have to ring Waterford hospital to consult a psychiatrist there. If it is decided that the person in crisis needs to go to an acute bed in Waterford, they are sent off and will have to go through the accident and emergency department in that hospital also. Therefore, a Wexford patient will have to go through two accident and emergency departments. It has happened in the past that people sent to Waterford hospital from Wexford General Hospital were sent home, having travelling all the way there while in acute distress. It is all a bit mad. It is not a good service.

Back in 2009, Susan Lynch, the HSE manager of mental health and elderly services, said that an acute ward in Wexford General Hospital was more than a proposal, that it was in the HSE's south capital plan, but it never happened. It fell off the lorry. Why did it not happen?

Deputy Kathleen Lynch: I am responsible for many things but I am not responsible for what happened back in 2009.

Deputy Mick Wallace: I did not say that the Minister of State was responsible.

Deputy Kathleen Lynch: I do not know what happened to that proposal. I speak not only to HSE people but to the people who deliver the service on the ground and I speak to one person in particular in Wexford on a regular basis. An investment of more than €18 million has been made in Wexford. A Vision for Change was published in 2006 and I believe it needs to be updated, but I have to say that if I listened to every request for an acute hospital I would reopen every psychiatric hospital in the country. On the other hand, I have a magnificent new unit in Cork in which people will not work, which is illogical in regard to psychiatric services. Wexford is well served with day hospitals, as the Deputy rightly said. There is a respite unit, crisis houses and an assessment nurse which many other places do not have. Also the ECD who runs the service in Waterford is an incredible man. When I ask him questions such as the one the Deputy has asked, and I will inquire about it with him, he tells me there has never been a case where somebody needed to be admitted who was not admitted. There may be instances where people need to be assessed and returned to their own community and I have no doubt that happens. I will make further inquiries on foot of the Deputy's parliamentary question.

Deputy Mick Wallace: People have died because they were not admitted to hospital; people have committed suicide in Wexford. The Minister of State has said that Wexford and Waterford are well served, but, according to the HSE's mental health division plan for 2015, spending *per capita* in the mental health area in the region is €148. That compares to €223 in Carlow-Kilkenny, €198 in south Tipperary and €206 in Mayo. The average number of acute beds per thousand of population across the country is 0.21 and it is 0.16 in Waterford-Wexford. People in Wexford who have to go through two accident and emergency departments are at a disadvantage to people in Waterford who only have to go through one accident and emergency department. Also, people in Wexford have to travel to Waterford and Wexford is one of the poorest served areas. This area has a suicide rate of double the national average and an unemployment rate as of today of more than 23%. That is incredible.

An Ceann Comhairle: Could the Deputy put his question, as his time is up?

Deputy Mick Wallace: It has one of the highest levels of teenage pregnancy and one of the highest levels of illiteracy. The service is not good enough. I am serious about this.

Deputy Kathleen Lynch: I am only responsible for the mental health end of it, as the Deputy will know, I am not responsible for the other pieces.

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Deputy Mick Wallace: That is the knock-on effect.

Deputy Kathleen Lynch: When I got this job I had the same view as the Deputy in regard to how people in crisis access the services. I was of the opinion that a person should not go through an accident and emergency department but because of the difficulties in regard to self-harm and possible self-harming, the accident and emergency department is the appropriate place, and I am convinced of that now, but the service would also include the suicide assessment nurse-led team. People who have a difficulty with their mental health and are in crisis would be assessed both for their mental health and for their physical well-being. I will make further inquiries on foot of the Deputy's parliamentary question. I am setting up a new group to examine what is beyond A Vision for Change and if it reports back to me with a recommendation that we should have an acute unit in every single town, I will take a serious look at that but as of now I am not convinced of that.

Patient Safety Agency Establishment

10. **Deputy Billy Kelleher** asked the Minister for Health the reason the programme for Government commitment to establish a patient safety authority has not been honoured; and if he will make a statement on the matter. [20782/15]

Deputy Billy Kelleher: I wish to ask the Minister for Health the reason the programme for Government commitment to establish a patient safety authority has not been honoured and if he will make a statement on the matter. In view of the HIQA report into the infant deaths in Portlaoise hospital and its recommendations and the testimony given to us at the Oireachtas Joint Committee on Health and Children in recent weeks, there is an urgent need for us to address that failed commitment and ensure we have a patient safety authority of standing.

Deputy Leo Varadkar: I am strongly of the view that any new patient advocacy service should be set up independent of the HSE from the outset. For this reason I removed reference to the establishment of an interim patient advocacy agency from the service plan for 2015.

My view has been supported by the recent recommendation made in the HIQA investigation report on services at Portlaoise hospital on the need to establish an independent patient advocacy service. The HIQA recommendation is that an independent patient advocacy service should be in place by May 2016. I fully agree with the recommendation and intend to see it implemented well in advance of the timeline provided by HIQA.

The scope, role and functions of the independent advocacy service will be considered along with the appropriate structural, governance and funding arrangements that need to be put in place. My Department will be consulting widely on the best way to get the service up and running in the shortest possible timeframe.

The role of the independent patient advocacy service will be to support and advocate for patients in their dealings with the health service. Regrettably, the health service has not been as responsive to patients who have had bad experiences as is required. I believe the patient advocacy service can assist in redressing the balance in the relationship between patients and service providers.

The proposed establishment of a number of new statutory bodies is something that I have

given consideration to in the context of the immediate priorities associated with the overall health reform programme. I believe there are some functions associated with the patient safety agency that are currently carried out to an independent high standard already by HIQA. I do not propose at this stage to interfere with these arrangements and instead intend to address the major gap in advocacy and support to patients through the new independent service.

I also intend to improve the advice available to me on patient safety through the enhancement of my own Department's patient safety function under the leadership of the chief medical officer. This will allow such advice to be incorporated within the existing accountability arrangements between the Minister for Health and the HSE, HIQA and other regulators and health bodies.

Deputy Billy Kelleher: It is welcome that the Minister will establish an independent advocacy agency. The best way we can address the issue of advocacy for patients and those who use the health service is to try to ensure we have accountability. The best form of accountability is to have information available to the public, including on the performance of hospitals and individuals within hospitals in terms of outcomes, assessments and comparators across health services, in order that people can scrutinise hospitals and see how good their performance is. While HIQA is very much into the quality side, there is a gap evolving in the information flow in ensuring full information and accountability across the health service. The patient safety authority should have a role in ensuring people are aware of the performance of hospitals in order that they can make informed choices.

Deputy Leo Varadkar: The Deputy makes a very valid point. Information that is available, provided it is collected accurately, should be made public in order that patients can see it and if there are discrepancies between hospitals and services, they can at least ask probing questions as to why. That is why a few months ago, for the first time, my Department published data by hospital for all sorts of issues, including caesarean section rates in maternity services and in-hospital mortality rates for heart attacks and strokes. This was replicated at community level. We intend to expand the report next year and include more information in it, including perinatal mortality statistics. Information on certain complications is already included. It will be produced by my Department and published annually. It is very important that we include patient experience data. An external survey will be conducted of patients' experiences of hospitals and it will be reported on. A satisfaction survey was conducted in the past and will be carried out again and will be published annually.

While the Deputy does not do this, others abuse the statistics. Medical statistics are produced within competence intervals and have a margin of error, plus or minus 5% or even 25%, particularly when dealing with low numbers. We all need to stand together against vested interests and some in the media who turn data into league tables that are not statistically significant. We need to be united against that misinformation and sensationalism.

Deputy Billy Kelleher: "Lies, damned lies and statistics" comes to mind.

Deputy Kathleen Lynch: We do the statistics.

Deputy Leo Varadkar: Others do the damned lies.

Deputy Billy Kelleher: The damned lies would not be done over here either. Some days ago I referred to the perinatal pathology services in the context of the debate on Portlaoise hospital. It is critically important that people have confidence in the statistics and that the statistics

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cannot be massaged and manipulated for various, sometimes nefarious, reasons such as when it is tried to suggest there is a deficiency in a service when it is just a statistical blip due to small numbers. I understand all of this.

On the issue of MRSA in hospitals and trying to get hospitals to be cleaner, only when the information was being published did hospitals across the service become motivated and concentrate on making an effort to encourage staff, clinicians and management to work together to address it. When information is available, people can make informed decisions on whether a hospital is run well and whether the clinical outcomes are correct. It should be part and parcel of the agency if HIQA is unable or incapable of doing it.

Deputy Leo Varadkar: I agree in principle and if HIQA wants to start publishing hospital by hospital data for MRSA, it is free to do so and there will be no objection from me. However, it is important that the data are reliable. Unreliable data are no good to anybody and can be harmful. The role of the patient advocacy service will be to advocate for patients generally and individually. I do not intend it to gather and publish statistics, which can best be done by the patient safety unit in my Department or HIQA. We do not need to duplicate another agency to collect and publish statistics. We should just do it. It does not require a statutory agency to do something that can already be done. The patient advocacy service will do something that is done by NGOs but is not resourced and supported to the extent it should be.

Health Services Reports

11. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health the position on the second investigation into the tragic loss of baby Jamie Flynn and other cases of concern, including the loss of another newborn baby on 12 May at or following birth at the maternity unit at Cavan General Hospital; if he will provide details of the persons who have been engaged to carry out each of the investigations in train; when he expects to receive each of the reports commissioned; if he will commit to publish each report on receipt; and if he will make a statement on the matter. [20776/15]

Deputy Caoimhghín Ó Caoláin: I seek an update on the four investigations into or reviews established of the loss of newborn babies at Cavan General Hospital in the past 13 months. Who carried them out? Has the Minister intervened, or will he intervene, to ensure those entrusted with the work will give sufficiently of their time to allow for the earliest possible conclusion of their investigations or inquiries and present their findings and recommendations for the earliest possible implementation, I hope contributing to a safer service and the restoration of public confidence?

Deputy Leo Varadkar: I thank the Deputy for the question. I am conscious of the personal tragedies of the families at the centre of these sad incidents and do not want to intrude on their privacy. I offer my sincerest sympathy to the families involved who have suffered such a sad loss. As Minister for Health, I do not have access to any patient's medical records, report or medical information which is confidential and should not be discussed on the floor of the House, even if I had access to it. The HSE incident management policy is being followed and reviews of the circumstances of the cases are being undertaken.

Regarding the incident which occurred in November 2012 and referred to by the Deputy, the first clinical incident review was undertaken and completed in July 2014. However, a second

clinical review was commissioned in September 2014 following a legal challenge which saw the first review quashed. A draft report from the second review team is due shortly. A second review of a case which occurred in April 2014 is also under way and a draft report is being finalised. A review of a third infant death in Cavan General Hospital in May 2014 is also under way. A fourth infant death occurred earlier this month and the process of establishing a review team in line with HSE's national incident management policy is under way and should happen forthwith. There should be no further delay.

Pending the outcome of the reviews of the incidents referred to and in view of the need to respect the privacy of the families concerned, I am not in a position to make available any further information on the investigations at this time. I have been assured that HIQA will conduct a focused programme of monitoring of compliance with the National Standards for Safer Better Healthcare across maternity services nationally. This programme will include the maternity unit at Cavan General Hospital. HIQA has commenced this work which will be completed by the end of the year.

Separately, the HSE is taking steps to commence a quality, risk and patient safety assurance review to assess the current governance arrangements in place in selected HSE-run maternity units. Cavan General Hospital and South Tipperary General Hospital are to be included in this review. If immediate patient safety concerns are identified during this review I expect them to be acted on immediately.

Deputy Caoimhghín Ó Caoláin: I join the Minister in extending my continuing sympathy to the families of the tragic babies at Cavan General Hospital. Although I do not know who has been given responsibility for the 2014 reviews, I know the four names of those entrusted with the second investigation review of the tragic loss of baby Jamie Flynn. The information has been publicised. Will the Minister tell us who is conducting the further reviews of the May tragedies and if the offer of responsibility has issued in the most recent tragic loss? I can comment on the list of those who have been asked to investigate a second time the tragic death of baby Jamie Flynn. They are eminent practitioners and professionals. My concern is the length of time it takes. They are very busy people in their respective areas of responsibility and, as a result, the time they can invest in carrying out these investigations may be limited. Is the Minister is considering making future appointments to such positions on as near to a full-time basis as possible to ensure the speediest possible reporting, publication of findings and implementation of recommendations?

Deputy Leo Varadkar: Each review team comprises a chairperson and three other members. I have the names but I am not sure whether it is appropriate to divulge the names of individuals who are participating in confidential reviews.

Deputy Caoimhghín Ó Caoláin: Will the Minister furnish them to me separately?

Deputy Leo Varadkar: I will have to get advice on whether it is appropriate to share the names.

Deputy Caoimhghín Ó Caoláin: The Minister should consult as he pleases.

Deputy Leo Varadkar: I will.

Deputy Caoimhghín Ó Caoláin: I cannot understand why there would be a different opinion. One is against another.

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Deputy Leo Varadkar: If the Minister for Justice and Equality were asked to divulge the names of jury members currently hearing a trial, I do not think that would be appropriate.

Deputy Caoimhghín Ó Caoláin: No, it would not. There is no analogy.

Deputy Leo Varadkar: Without consulting on the matter I would prefer not to provide the names of individuals participating in a review. I hope the Deputy understands why. In regard to the fourth case, the review team has not yet been established. We have been in contact with the hospital to impress on it the importance of beginning that review expeditiously.

I agree with the Deputy that individual case reviews in Cavan, Portlaoise and elsewhere are taking far too long. If we assign people to work on them on a full-time basis, that would mean moving them from front-line activities. Perhaps that is something we need to do or alternatively we should use people who have retired from clinical practice. There are consequences for other patients when people are reassigned from their front-line activities to carry out reviews.

Deputy Caoimhghín Ó Caoláin: It merits consideration, whether in terms of people who are retired or in other circumstances. We need an expeditious review and a report at the earliest opportunity so that we can act on the recommendations. That is crucial for re-establishing public confidence. It is in the interest not only of the families who have been bereaved and the wider catchment of the maternity unit in Cavan General Hospital but also of those who are first class in their roles within that hospital and who feel their abilities are being questioned by virtue of the fact these tragedies have occurred without actions or conclusions necessarily being undertaken. It is important for all concerned that the review is completed expeditiously. I again ask the Minister to ensure that will be the practice in the future.

Deputy Leo Varadkar: I agree with the Deputy that it is important individual case reviews are carried out expeditiously, provided they are also done properly and thoroughly. Sometimes that can take time but the fact that they can continue for several months and, in some cases, more than a year is difficult for the patients and families concerned. They want to find out what happened and to be assured it will not happen to somebody else. That should be doable in weeks or months rather than taking six months or a year. The Deputy is correct that it casts a shadow of doubt over the clinicians who looked after the patients. That can cause stress for the clinicians even though it is found in the vast majority of cases that they did the best they could in the circumstances. The issue also arises in respect of Portlaoise. I will put in place measures to assist those involved to complete the case reviews much more quickly.

An Ceann Comhairle: Apologies were received from Deputy Broughan who is not here to put Question No. 13. The Deputies who submitted Question No. 12 and Questions Nos. 14 to 18, inclusive, are not present.

Questions Nos. 12 to 18, inclusive, replied to with Written Answers.

Symphysiotomy Payment Scheme

19. **Deputy Clare Daly** asked the Minister for Health if he is satisfied that the payment scheme to which survivors of symphysiotomy may apply is being administered consistently and constitutes an effective remedy; and if he will make a statement on the matter. [20564/15]

An Ceann Comhairle: As we have limited time, if Deputy Clare Daly does not introduce

her question we might be able to take an initial reply and a supplementary question.

Deputy Clare Daly: Will I be allowed to ask a supplementary question?

An Ceann Comhairle: Yes.

Deputy Leo Varadkar: The surgical symphysiotomy payment scheme commenced on 10 November 2014. It was originally estimated that 350 women would apply to the scheme but 576 applications were accepted. Applications are being assessed by the former High Court justice Maureen Harding Clark. The scheme has in the region of €34 million available and participants will receive awards at three levels, namely, €50,000, €100,000 and €150,000. The scheme was designed to be simple, straightforward and non-adversarial, and it aims to minimise the stress for the women concerned. It was designed following meetings with all three support groups, two of which have welcomed its establishment. It was established to give women who do not wish to pursue their cases through the courts an alternative simple and non-adversarial option in which payments are made to women who have had a surgical symphysiotomy irrespective of whether negligence is proven.

Ms Justice Harding Clark has informed my officials that 206 offers have been made to women as of 22 May 2015, including one offer that was rejected. Some 194 of those offers had been accepted and 11 offers are awaiting a response. Of the 194 offers accepted by applicants, 118 were assessed at €50,000, 71 at €100,000 and five at €150,000. A large number of applications have been made without medical records or evidence of symphysiotomy and this information is being sought by Ms Justice Harding Clark in order to progress the applications. Where there was a delay arising in the compilation of a woman's supporting documentation due to difficulty in obtaining medical records, applications were accepted by the scheme provided the application was received within the time period set out in the scheme with a written explanation of the reasons for the absence of the documentation.

The scheme is voluntary and women do not waive their rights to take their cases to court as a precondition to participating in it. Women may opt out of the scheme at any stage in the process up to the time of accepting their award. It is only on accepting the offer of an award that a woman must agree to discontinue her legal proceedings against any party arising out of a symphysiotomy or pubiotomy. Deputy Daly may be aware of a High Court judgment delivered on 1 May 2015, where the judge dismissed the claim for damages by a 74 year old woman who had a symphysiotomy 12 days before the birth of her baby in the Coombe Hospital in 1963. The judge ruled that even though the woman has suffered since the operation, the practice of prophylactic symphysiotomy "was not a practice without justification" in 1963. The judge also stated in his judgment that "Though I would in the words of Sir Ranulph Crewe, Chief Justice of England, 'take hold of a twig or twine-thread' to uphold the plaintiff's case, I must find that this remarkable lady whose story indeed deserves to be told must fail in her case against the defendants".

While the Government is aware of the comments made by the UN Human Rights Committee, it believes that the provision of the *ex gratia* scheme, together with the ongoing provision of support services by the HSE, including medical cards, represents a fair and appropriate response to this issue.

Deputy Clare Daly: I understand the UN Human Rights Committee will express its disagreement with the Minister at its next hearing. It is not acceptable that elderly women who

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were butchered in their youth, who lost connections with their children and relationships with their husbands, and who continue to live in pain are being forced to participate in this scheme. As the Minister pointed out, the overwhelming majority of these women were offered a paltry payment of €50,000. That is one third of the amount the judge administering the scheme will be paid in a year. The five people who got the maximum payment because of a lifetime of agony are still getting less than what the judge is paid in one year. That exposes the severe limitations to the scheme. I am aware of the recent court case but the criticisms made by the UN committee about the fact that people were being exonerated and that nobody took responsibility will be taken further. The Minister will have to revisit the matter on human rights grounds because his response is not good enough.

Deputy Leo Varadkar: The UN committee is free to offer its opinion on any matter it considers relevant but in this country we are ruled by our laws and justice is administered by the courts. We are an independent sovereign State. It is up to the women individually to decide whether to apply for the scheme and to accept the award. The vast majority have accepted their awards. They do not have to prove negligence in any case. With the exception of symphiotomy on the way out, those who have gone to court were not able to prove that the practice was not without justification at the time it was done.

Written Answers follow Adjournment.

Aer Lingus Share Disposal: Motion (Resumed)

The following motion was moved by the Minister for Transport, Tourism and Sport on 27 May 2015:

That Dáil Éireann, pursuant to section 3(5) of the Aer Lingus Act 2004, approves the general principles of the disposal of shares in Aer Lingus Group Plc by the Minister for Finance in accordance with section 3(2) of the Aer Lingus Act 2004, which were laid before Dáil Éireann on 27th May, 2015.

An Ceann Comhairle: Deputy Sean Fleming was in possession and has completed his contribution. I call Deputy Willie O’Dea. Are you sharing time?

Deputy Willie O’Dea: I am sharing time with Deputy Martin. How long do we have?

An Ceann Comhairle: There are 17 minutes left in the slot.

Deputy Willie O’Dea: There is a lot I want to say in relation to this matter.

An Ceann Comhairle: The Deputy has 17 minutes in which to say it.

Deputy Willie O’Dea: I do not have 17 minutes because, as I said, I am sharing with Deputy Martin. Deputy Martin wants to make some important points on the Nyra report, so I will confine myself to highlighting a few points.

Any objective observer looking at the events that have transpired in this House and outside it in the past few days would be forced to conclude that there is collusion between IAG, Aer Lingus and the Government to bypass the public and the Oireachtas on this important decision.

The Minister will be aware that his own members and the Labour Party members of the

Committee on Transport and Communications insisted that the committee should consider this matter in detail before the final decision was taken. They have reneged on that, however, and there is not a tweet about it.

I cannot understand why at this particular time the Government would decide to hive off its 25.1% shareholding in Aer Lingus, which is well on the way to being one of the most successful small aviation companies in the world, to a foreign multinational. It is certainly an excellent deal from IAG's point of view. What IAG is getting will exceed by several hundred million euro, perhaps half a billion euro or more, what it is paying. If the Minister does not take my word for it let him look to the ultimate authority, the London stock exchange. IAG shares rose sharply on the London stock market as soon as this deal was announced. The market has taken the view that whatever about Aer Lingus, the Irish taxpayer and connectivity, it is an outstanding deal for the multinational.

The Minister will also be aware that connectivity is of central importance in my region where a high percentage of people are employed by multinationals. The Taoiseach and the Minister have told us repeatedly that this deal, in so far as we know anything about it, protects connectivity more than the deal that was entered into by the previous Government in 2006. In other words, they are essentially saying that the State will now have more influence on what happens in Aer Lingus when it holds a single share and has nobody on the board, than it had when it held 25.1% of the shares and had two directors on the board. That is a totally unsustainable proposition.

I can well remember the events of 2007 when the board of Aer Lingus decided to reallocate the Heathrow slots at Shannon to Belfast. I can recall the battle that went on over that, as well as how the decision was reversed literally within a year. As someone who was centrally involved in the fight to get those slots back, I can state that it was of enormous benefit to us that we had two State directors on that board. Without their presence on the board it probably would not have happened.

In substitution for two directors and a 25.1% shareholding, we are told that the golden share will protect connectivity in a more substantial way. The Minister, Deputy Donohoe, said the golden share gives the Minister for Finance the right to object to or challenge a disposal of the slots. Somebody else said it was a veto, but which is it? In any case it is a moot point. These golden share deals have been found to be illegal under European law in a number of other jurisdictions. In addition, even if the golden share did provide the protection that the Government claims, it expires after seven years. As far as workers and businesses in the mid-west are concerned, there is not a great difference between five and seven years.

As I understand them, these terms which are supposed to keep the question of connectivity within the remit of the Government, will be put into the company's articles of association. The Minister should be aware that any public company can change its articles of association by special resolution, which is a 75% vote, at any time. This is set out in statute law on all the model articles of association. In addition, there is a great deal of case law surrounding the legislative provisions, beginning in 1903 in the case of *Punt v. Symons & Co. Limited*, followed by the case of *Southern Foundries (1926) v. Shirlaw* in 1940. Those cases are cited with approval by the superior courts in Ireland and Britain right to this day.

They have established a simple proposition that if a company wants to change its articles of association, and that change results in breaking a deal on which the present format of the ar-

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ticles of association depend, then there is no right to seek an injunction to prevent the articles of association from being changed. The State can presumably sue for some level of damages, but that is cold comfort for people in my area who are worried about connectivity and whose jobs depend on it. There is therefore no absolute guarantee and, in effect, it does not matter whether disposal includes sale or leasing.

The Minister talked about the protection of employment, but the only guarantee we have of that is the statement by the chief executive that he does not envisage compulsory redundancies or further outsourcing. The registered employment agreements, REAs, are then dragged in to give the illusion that something wonderful is being done. We are told that the REAs are being reintroduced and will be extended to categories of workers not already covered. The fact of the matter, however, is that according to the Government's own Industrial Relations Bill, which has just been published, REAs deal only with terms and conditions of employment. They will not save one job.

In addition, section 20 of the Industrial Relations Bill 2015 allows the employer - in this case it will be Aer Lingus as owned by IAG - to apply to the court at any time to get out of its commitments under an REA. Therefore the so-called protections and guarantees are illusory rather than real. IAG is not a charity and its primary focus is not the protection of connectivity or jobs in the mid-west or elsewhere - it is to drive shareholder value. All the decisions will be driven by that alone.

At this late stage, I appeal to the Minister to suspend the vote on this matter. As his own Deputies demanded, he should allow the Committee on Transport and Communications to discuss the matter at length next week so that we can at least know what we are getting into. At the moment we are in the same position as someone who gets a phone call from their solicitor saying: "We haven't got the papers on this and have not got sight of the deal, but I am signing a very important contract on your behalf at 11 o'clock this morning. You can't see the contracts or the powers, but I'm signing it on your behalf and you'll have plenty of time to study it afterwards." Effectively, that is the position we are in.

Deputy Micheál Martin: I have yet to hear from the Government a compelling rationale for the sale of the State's 25.1% share in Aer Lingus. The manner in which the Government has handled the Dáil in this debate has been shameful and shocking, given the fact that there has been a lack of any transparency and honesty in the presentation of the facts, particularly as they relate to workers. Given the revelations in the Nyra report, it is now imperative for the Government to suspend today's debate and vote, and allow Deputies to tease these issues out properly at the Committee on Transport and Communications.

The problem is that the Government always prefers spin more than substance. It is always about telling a good news story as opposed to the realities that are inevitably down the line following the sale of this 25.1% share. That is revealed in the Nyra report. The Taoiseach said yesterday that he was not aware of that report and had no knowledge of it. Did the Minister for Transport, Tourism and Sport, Deputy Donohoe, have any knowledge of it? Did the executives in Aer Lingus show him this report? Did the Minister take the decision to recommend the sale of Aer Lingus without any inkling or knowledge of this report?

11 o'clock

Was he aware of it? It is quite significant. Despite what was said this morning on the radio

by the chief executive officer of Aer Lingus, it is about staff and cost-cutting. It is not just cost-cutting agreements with outsourcing companies and so on. The report compares Aer Lingus with Vueling and EasyJet and it is all around costs. With regard to seasonality and legacy staff, it states:

Aer Lingus self-handles at Dublin, Cork and Shannon at an average cost of €1,326 per turnaround. However, the relatively inflexible labour agreements increase this cost to €1,432 in the winter, thus adding €2.3 million to the cost base.

The Minister knows what that means. In referring to “inflexible” labour agreements, we are going to change that. The report continues, “In addition, the legacy staff costs, compared to EasyJet’s market rates, adds €12 million of costs.” The report continues and refers to how reviewing each of these in collaboration with the commercial team “could be a profit improvement opportunity.”

There are other comparisons. The report indicates that the ground handling costs of Aer Lingus are higher than both EasyJet and Vueling by 30% and 45%, respectively, for each turnaround. The report indicates that Aer Lingus self-handles at its Dublin, Cork and Shannon stations, whereas EasyJet and Vueling are outsourced. There is a clear implication in that. The report indicates that the main challenge for Aer Lingus is to review clearly its desired product offering and define a new lean model, which can form the basis for “restructuring” labour agreements to provide seasonal and daily flexibility. No wonder the letter from IAG is so meaningless and no wonder it is a classic of its kind in seeking to camouflage what will really happen. IAG cannot give the commitments that the Government wanted and which it is trumpeting to unions. It is in black and white in the report where this is heading.

The report continues by stating that a leaner structure will help to reduce self-handling costs and provide a basis for renegotiating with third-party handlers and so on. Vueling, the company that Aer Lingus is being compared with, is known for having very aggressive employment contracts; they are the lowest in Europe, alongside Wizz Air and Ryanair. EasyJet uses Vueling’s pilot contract as a template for its Lisbon operations. Vueling deliberately pays cabin crew low salaries to encourage staff turnover. Average turnover is 40%, with ideal tenure at six to 12 months. The report argues that Vueling seems to be very good at dealing with extreme seasonality in this way. The report analyses per-seat pilot costs. Aer Lingus’s utilisation is 715 hours per pilot whereas EasyJet’s is nearer 850 hours. The Aer Lingus pay structure, particularly for long-service staff, is responsible for part of the cost gap, according to the report.

I am listing all these elements as it is very clear where we are heading. Nevertheless, the Government is painting a totally different picture and is not telling the truth. There should be a wider debate about this. I expect there will be a wider debate. In agreeing the sale of 25% of Aer Lingus, we are being asked, on the Government’s recommendation, that we collude and go along with the process without question or even having the decency to tell people as it is in real terms.

EasyJet, for example, has fewer pilot crews per aircraft, according to the report, and it achieves a higher level of overall productivity in how it utilises pilots and so on. It has 2,000 pilots working an average of 850 hours per annum, compared with Aer Lingus pilots working 715 hours per annum. The implications of that are very clear with respect to pilot and staff conditions but there has been no discussion about that. Crew costs also loom large. The report indicates that EasyJet addresses line maintenance seasonality by outsourcing but Aer Lingus has a

fixed line maintenance cost with additional inter-check work in the winter season. It states that Aer Lingus employs 100% licensed engineers, so what does that mean? What is the implication of that? This morning, we were told this report was only about costs relating to outsourcing and how better deals can be achieved with different companies. The clear implication is that Aer Lingus should outsource more operations and get rid of permanent and longer-term staff. That is coming right through this report. The idea is that the younger the staff, the lower the cost and so on. That is the nature of the report.

There is an onus on the Government and the board of Aer Lingus in making its presentation to the Government to make available this report. Is that what we want? There is no point having low pay commissions etc. if we are just going along and nobody is shouting "Stop". Piketty writes in his major tome about the growing gap between worker pay and corporations, and this is a big issue in society. I have been reflecting on this and it is something we must debate.

The report indicates that the administrative staff support costs in Aer Lingus are too high, as the basic salary costs for managerial and support staff in Vueling is low. It goes through its administrative head count and compares it with Aer Lingus. We all know, thanks to the publication of the Nyras report, where all this is heading. The report states with respect to staff count that "Aer Lingus's ground-based operational and administrative head count equates to 55 full-time equivalents per aircraft, five times as high as EasyJet's 11 full-time equivalents per aircraft." It indicates that after adjusting for the fact that ground handling and catering are outsourced by EasyJet and there is no cargo operation, Aer Lingus has 40% more staff per aircraft than EasyJet, with the cost advantage to EasyJet at €13 million. This implies that Aer Lingus is heading in the same trajectory as the Vuelings and EasyJets of this world, which has serious implications for staff working in Aer Lingus. Instead of doing a snow job and pretending all is rosy in the garden-----

Deputy Michael McNamara: What is a snow job?

Deputy Micheál Martin: It is a Cork phrase. It is a colloquial expression. The Government is pretending everything is rosy in the garden and everything is going to be all right but it is very clear that this is not the real story. It is quite shocking. The Taoiseach would not tell us about this the other day in the Dáil. He had to have an orchestrated and managed public relations exercise on Tuesday night before coming in yesterday morning to ram this through the House. I now know why. If this were left hanging around for a couple of days, God knows what else would come out. People would find out the truth.

There is a long list in the report. It states that Aer Lingus's main cost disadvantage is in cabin crew fixed overheads. One can imagine if a company is going to buy the company, it can see the bottom line for profit. Workers would be seen as just numbers, with terms and conditions being immaterial and inconsequential, it seems. We have had no discussion about that. In summing up, the report concludes:

We believe that the airline should set aggressive but achievable targets for short-haul cost efficiency at a minimum of €60 million or €5 to €6 per seat. This should in turn be coordinated with the CORE programme initiatives.

It also lists the various reductions in a table of minimum potential savings. The figures are €2.9 million for ground handling and €5 million for overseas bases. There is a comment, "Can we drive better pilot utilisation?", with €1.8 million pencilled in. The cost base for cabin crew

would be down another €1.1 million. There is a suggestion of hangar efficiency and heavy maintenance going to eastern Europe. The report mentions a detailed review of IT accommodation staff and so on.

I do not believe the Minister has been up-front about this. Maybe he did not know about this report, and if he did not, it is an even more serious matter. That is why the issue should not be rammed through. The Government rammed through legislation for Irish Water and the Irish Bank Resolution Corporation, and now we have the same issue with Aer Lingus. There has been no proper assessment or analysis; there has been spin over substance. Above all, the workers deserved to have been told the truth about the implications of this sale and where Aer Lingus is heading.

Acting Chairman (Deputy Jack Wall): I understand Deputy McNamara is sharing time with Deputy Maloney.

Deputy Michael McNamara: I am thankful for the opportunity to speak to this motion on the disposal of the shares in Aer Lingus, about which so many questions remain. In that context I question the timing of this motion and the haste with which it is being moved. I understand that market takeovers require movement but, ultimately, the permission of the House is required for the Minister to dispose of the shares. We are a long way off that yet. We are at least six months if not a year off that. I do not know why, therefore, we are giving a *carte blanche* at this stage. Nevertheless, I welcome the contribution the Minister for Finance, Deputy Michael Noonan, made to yesterday's debate in which he acknowledged the importance of connectivity to and from the island of Ireland. He said it was crucial for economic growth across the country, not just in Dublin. I recall the recent announcement by the Minister of State, Deputy Gerard Nash, of jobs in Shannon. One of the key factors he attributed to being able attract American companies to Shannon was its connectivity to the USA and Heathrow. Shannon Airport was established to be the driver of growth in the mid-west and it had achieved that up to the time Fianna Fáil in its wisdom decided to abandon it in favour of Dublin. Nevertheless, for a long period in its history, it was the driver of growth in the mid-west and it is again, largely because of decisions this Government has taken and which I have supported.

The Minister for Finance said that long-term investment decisions such as foreign direct investment into Ireland are much easier to make in an environment of certainty. He said the level of certainty provided by this transaction as part of our broader efforts is supportive of economic growth. I welcome his acknowledgement of the importance of connectivity and certainty in that regard. The Minister went on to spend some time explaining how these commitments regarding connectivity were to be secured. They were to be secured by providing certain rights to the Minister for Finance and his successors through the retention of one share in Aer Lingus, which will be designated a "B" share. The Minister said the benefit of the commitments was that the rights attaching to the "B" share will be enshrined in the articles of Aer Lingus to allow the holder of the share to object to any proposals deemed contrary to the national interest, such as the disposal of Aer Lingus's Heathrow slots or a proposed cessation of the operation of Aer Lingus's Heathrow slots on certain Irish routes for five years and up to seven in the event that airports do not unduly raise their prices.

While this is welcome, those who have been around the House a lot longer than me will recall that when Greencore was privatised in 1991 a similar golden or "B" share scenario was put in place to give the Government a veto over the sale of the sugar division where that was deemed not to be in the national interest. A few years later, doubts were cast on that golden

share agreement in a ruling of the European Court of Justice in 2003 to the effect that Britain and Spain broke EU law by holding golden shares allowing them to maintain a degree of control over privatised companies. The EU's highest court ruled that controls on the privatised British Airports Authority, which owned Heathrow, and five Spanish companies breached the EU treaty by restricting the free movement of capital. At the time, *The Irish Times* wrote, "This ruling could also have interesting implications for the Government if it decides to privatise other State assets such as Aer Lingus or Aer Rianta". As such, I ask the Minister for Transport, Tourism and Sport if the slots at Heathrow are capital assets.

Deputy Micheál Martin: Yes.

Deputy Michael McNamara: If they are not capital assets, what are they? If they are capital, it appears that there is at least a strong argument to be made that they should be allowed to move.

Deputy Micheál Martin: That is the advice the Government got. He is right.

Deputy Michael McNamara: Where is Irish Sugar now? Where is the sugar division? When I was canvassing for the Labour Party recently, I saw its rusting remains on the outskirts of Carlow town. In fairness to the Minister for Transport, Tourism and Sport, I appreciate that he took time very late last night to meet with me with his officials to seek to allay my concerns. I thank him for that courtesy. I understand the Minister has been in extensive negotiations with the European Commission's Directorate General for Financial Stability, Financial Services and Capital Markets Union in the run up to this announcement and that it has no objection to the proposal. In fact, it may have indicated that it is willing to accept it. However, the deal has yet to be examined by the Directorate General for Competition, which took the cases against the UK and Spain to which I have referred.

I assume that a letter of comfort will be sought, but even if it is obtained, it is only a letter from one Commissioner for the duration of one Commission. That is all. Letters of comfort have been delivered in the past notwithstanding which infringement proceedings have been taken. Furthermore, I am not so concerned about Commission proceedings given that the Commission has ultimately accepted the *status quo* which gives the Government a degree of control over slots. My greater concern is on the enforceability of the "B" share mechanism and whether a Minister could in future enforce it against IAG. If a British or Spanish court or the ECJ were to find it contrary to EU competition law or a domestic court were to find it contrary to domestic competition law, it would not be possible to enforce the "B" share rights. I mention the UK's Competition and Markets Authority in particular because Heathrow is located in Britain and has the experience of having its own golden share held by the British Government struck down as being unlawful. Furthermore, the UK's Competition and Markets Authority has shown considerable teeth in its dealings with Ryanair. It has shown more teeth than the Irish Competition Authority generally demonstrates unless, of course, it is raiding the IFA offices on foot of concerns about below-cost selling by multiples.

Turning to the deal itself, it is undoubtedly very good news for Dublin Airport. I have studied IAG's 34 page indicative offer in detail and it has a lot of specifics for Dublin Airport, which is set unambiguously to become Ireland's gateway hub for international traffic. Mr. Willie Walsh, the CEO of IAG, which is one of the largest aviation companies in the world, was clear about this at the joint committee. It would be churlish at this stage to fail to acknowledge that Mr. Walsh is one of the greatest Irish businessmen of his generation. His negotiation of

this deal has been masterful, but his only duty is to his shareholders. For him to have any other considerations would be unlawful. Looking at the deal, one thing is clear, namely, Dublin Airport is approaching capacity and will soon need a new runway. Passenger numbers last year stood at 21.7 million and this year numbers are expected to exceed 24 million. IAG alone is projecting an increase in passenger numbers of 2.4 million as a result of this and other airlines are also seeking to increase their passenger numbers. The Commission for Aviation Regulation has stated that a new runway will be allowed when passenger numbers reach 25 million. That is next year, but where is the runway? Is it going to be allowed? Who is going to fund it?

When a second terminal was to be funded at Dublin Airport, Aer Rianta International was brought into the Dublin Airport Authority group by Fianna Fáil to fund it. This, of course, is the same Fianna Fáil that objected to Aer Rianta International being in Dublin Airport after having brought it into the Dublin Airport Authority group. Fianna Fáil does not have a great deal of credibility on this issue when it objects to the sale of a 25% shareholding, having sold a 75% shareholding. It is not so much warning that we should close the stable door after the horse has bolted, rather it galloped the horse out the stable door and is now looking back over its shoulder having had an unfortunate demise. In now warning that the stable door should be closed, it is a little bit late.

Deputy Willie O’Dea: We will get to Deputy McNamara’s credibility in a few minutes. We will see how credible he is.

Deputy Michael McNamara: I understand that Deputy Eamonn Maloney has agreed to give me five minutes of his time and I appreciate it.

Acting Chairman (Deputy Jack Wall): Is that agreed? Agreed.

Deputy Michael McNamara: Given the congestion that is approaching, what will happen if IAG cannot continue to grow its numbers at Dublin Airport? I presume a new runway in Dublin will attract the same controversy and difficulty as the proposal for a new runway at Heathrow. The fact that there is no new runway at Heathrow is one of the main reasons IAG is interested in Dublin in the first place. While it may well offer opportunities for Shannon and Cork, and I certainly hope it does, that is only if IAG is interested in Dublin and Shannon. It is not that clear. There is very scant and aspirational information contained in the indicative offer about Shannon. It says IAG will “aspire to enhance”. The document says that growth opportunities with tourism and business interests will be pursued and that future support will be provided for existing airlines. It is a lot shorter on detail in respect of Shannon than in respect of Dublin. Aer Lingus does not have a history of any commitment to Shannon except where it has been forced by the Government through the Government shareholding.

It is one thing to have a golden share if one can enforce it, but we have great confidence generally in free markets. Free markets are a very good thing and I am not advocating state control of the economy or anything like it, but when Fianna Fáil privatised Eircom, we were told it would be a wonderful thing. It was going to be able to attract the finance necessary to develop a world-class telecommunications network. At the time of the privatisation, we had a world-class telecommunications network in this country, but now one cannot get broadband in the largest town in my constituency. Companies and offices cannot get broadband to grow their businesses. Throughout the rest of rural Clare, there is no broadband. I appreciate the efforts of the Minister for Communications, Energy and Natural Resources, Deputy Alex White, in that regard. It is announcement after announcement and strategy after strategy but he is effectively

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powerless. All he can do is telephone the companies and ask them what they would like to do. Without a shareholding in the company, it is not possible to direct them to do anything.

Delegates from Eircom come in here regularly with briefings for Deputies and tell us when certain exchanges will be upgraded. The following year they come in and say they got it wrong but that they will be upgraded. That is all we can do because it is a private company. I do not think the privatisation of Eircom has affected Dublin, Cork or perhaps Limerick, but it is affecting Ireland and its economic development. We remain an island nation. I do not need to point that out. It is one thing to privatise an airline on mainland Europe when it is possible to get a train from, say, Paris to Moscow overnight, but we are uniquely dependent on our connectivity and that is a major concern for me.

When Willie Walsh attended the transport committee he had very little concrete information on Shannon but he did say that Aer Lingus was in the business of selling seats. He said that it was able to profitably sell seats from Shannon to north America and Heathrow and that it would therefore continue. The Minister for Public Expenditure and Reform said something similar yesterday when he said, "Everybody in Aer Lingus knows that jobs and profitability, which are connected, are ultimately determined by the sale of seats. That is the only constant in the airline business". In Shannon we know that is not enough. Notwithstanding full flights leaving Shannon for London Heathrow, the flights were pulled. Almost like a dog who saw a bone in the water and went for it, Aer Lingus opted to operate out of Belfast. It thought it would make a bit more money in Belfast and Shannon was left high and dry. That had a detrimental impact. I have no doubt, regardless of the bona fides of Willie Walsh or Mr. Kavanagh, that profit and profit alone will drive this. That is what the markets are about, which I welcome, but connectivity is key to the future of this State.

I welcome the commitment by Aer Lingus to enter into registered employment agreements with its workers, even if the legislation which will underpin them is not yet in place. I look forward to supporting the Minister of State, Deputy Gerald Nash, when he brings the necessary legislation through the House. I also have confidence in the last-minute commitment by Aer Lingus this morning that there would not be compulsory redundancies. I understand the CEO said that on the airwaves. I welcome that statement and I have no doubt it has been made because of the work of the Labour Party in government. However, I hope the CEO has in turn received the same guarantees from his employers, his future employers and their future employers, and that he will be in a position to honour what he said today. We know that there are no certainties in the shifting world of aviation consolidation. Indeed, from the time it first mooted its interest in Aer Lingus to now, there has been a suggestion that IAG itself might be subject to a takeover bid.

I thank the Minister for Transport, Tourism and Sport for the courtesy he has shown me and the work that has been done to meet the Labour Party's concerns. However, many questions remain outstanding. I have questions which remain unanswered and, in that context, I am not prepared to gamble with what I believe is key to the economic development of this State, all of this State. As we enter 2016 with talk of developing all parts of the country equally, connectivity is key, particularly connectivity to the mid-west. I do not have confidence in the guarantees as they currently stand. On that basis I regret that I will not be able to support the Minister in the motion this afternoon.

Deputy Eamonn Maloney: As a member of the transport committee, I will endeavour not to repeat some of the issues that have been debated both at the transport committee and in the

intervening period since IAG's original offer. I will focus on a small number of issues. To confine myself to the two-day debate on IAG's second offer, I have noticed a tendency for many Deputies on the opposition benches to give, for want of a better word, the impression we are talking about a State asset. We are not talking about a State asset. We are talking about one private company going into enterprise with another private company, IAG. If Aer Lingus were a State company, I would have a different view on the issue. However, Aer Lingus is no longer a State company but rather a public limited company with the State, on behalf of the taxpayer, holding a 25% share in it.

There has been an attempt to create an argument based on Aer Lingus's image since its foundation in 1936 and the attachment to it. However, all of that changed when Aer Lingus was floated on the stock exchange in October 2006 by those in the benches opposite. That is its history. I am not one to rush to the defence of Fianna Fáil but, interestingly, the Irish people clearly have an affinity with free enterprise and capitalism because following the flotation of Aer Lingus on the stock exchange, Fianna Fáil scarcely lost any support in the 2007 general election. Some of those who sit behind Deputies Martin and O'Dea and condemn Fianna Fáil for privatising Aer Lingus should have used the opportunity, if they had such a hang-up about Aer Lingus being privatised, to move a motion to bring it back under State control but there was no such motion.

Deputy Willie O'Dea: It was a huge success.

Deputy Eamonn Maloney: They ran with this issue as if they were dealing with a State entity, which it is not.

Deputy Micheál Martin: It was successful. It worked.

Deputy Eamonn Maloney: That is for another day.

Deputy Micheál Martin: A shareholding of 25.1% is valuable. It is legally more valuable.

Deputy Eamonn Maloney: Whatever about what the State will get in terms of a potential sale, I wish to move on to the perspective of workers and trade unions. I joined a trade union at the age of 16. I have been a member of unions all my adult life and a shop steward for most of it. The principal concerns for people on this side of the House are redundancies and outsourcing. These were foremost in the minds of SIPTU and IMPACT when they spoke to probably all of us. In thrashing out a deal to protect those who currently work in Aer Lingus and those who will work there in the future, unions do what unions are supposed to do. They try to get the best deal for the people they represent. That is why unions exist. No negotiations end up with workers getting everything. It has never happened. Perhaps someone has an example of it happening-----

Deputy Bernard J. Durkan: Is Deputy Maloney asking me?

Deputy Eamonn Maloney: -----but it certainly never happened during my time with unions, and I have been involved in strikes, lockouts and everything else. As Jim Larkin said one year after the Lockout, one gets as much as one can and one keeps it. That is what SIPTU and IMPACT are doing. As Deputy Michael McNamara said, the Labour Party as a minor party in this Government has used its influence as best it possibly could in dealing with a marriage between a private company, Aer Lingus, and another private company, IAG.

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I will keep my word and finish on time.

Acting Chairman (Deputy Jack Wall): I understand Deputy Jonathan O'Brien wishes to share time with Deputy Brian Stanley.

Deputy Jonathan O'Brien: It was interesting to listen to Deputy Michael McNamara voice his concerns about the proposal before us. He hit on the crucial issue - connectivity. I do not need to tell the Minister that, as an island nation, connectivity is essential to us for our economic development, the tourism industry, exports and imports and our overall prosperity. This is a very small island on the periphery of Europe and the economy needs to be consistent and secure. Connectivity is a crucial part of this and we should not jeopardise it by removing the links Aer Lingus provides. There is consensus among the experts who have spoken about IAG's offer that Aer Lingus is crucial to that connectivity as it controls many of the sought-after slots at Heathrow Airport, which are the envy of many airlines throughout the world. The slots are crucial to Ireland's interests. The CEO of IAG is on the record as saying the company needs extra slots to serve the very profitable and expanding Asian and South American markets from Heathrow Airport. Any proposal by IAG to ensure extended access on Irish routes from Heathrow Airport will only delay the inevitable loss of these slots, whether in five or seven years. In the future the slots will be used to provide services on the more profitable Asian and South American routes because ultimately that is what it is all about. It is about profit at the end of the day. IAG does not have the interests of Ireland as its driving force in this offer. Its interests, rightly so, are its shareholders and profitability.

There are also very real concerns for the workers about potential job losses. We received some assurances today that there will be no compulsory redundancies. That is to be welcomed, but an assurance and a guarantee are two different things. The publication of the Nyras report raises a lot of concerns about potential job losses. One only has to look at the record of IAG where it has taken over other airlines. Many Deputies will have spoken about Iberia, in which nearly 4,500 jobs were lost after the takeover, prompting the Spanish tourism Minister to say in 2013 that the sale, two years previously, had actually proved detrimental to the Spanish economy. I have also not seen any resolution of the issues faced by workers regarding the Aer Lingus pension scheme and the cuts in entitlements that they are facing need to be discussed.

I do not understand why this issue could not have been sent to the Joint Committee on Transport and Communications for at least one week in order that it could study the proposal in full and tease out the details of the Nyras report, which has now become available but which the Taoiseach has said he has not read to date. I do not know whether the Minister had the chance to read it before he brought the proposal to the Cabinet yesterday. If he did not, has it changed his opinion on the haste with which the Dáil is trying to rush this motion through this afternoon? Taking a week out and leaving the Joint Committee on Transport and Communications to do a job of work in analysing all aspects of this offer would be a prudent move. The outcome might very well be the same this time next week and we might still be voting on it, but we would at least be doing so in the knowledge that everything had been examined by a committee made up of members of all political parties and none in this Chamber. Questions Deputy Michael McNamara, who raised some genuine concerns, and other Deputies may have could be addressed at the committee. The Minister knows that committees do some very good work. The Joint Committee on Transport and Communications should be given such an opportunity in this case.

The short-term commitments from IAG will be of no use to Ireland in the future if we lose the slots held by Aer Lingus. The commitment to maintain jobs will ring very hollow when one

looks at the thousands of jobs cut from Iberia. I do not think the guarantees are sufficient or that a two-day debate is sufficient. I, therefore, ask the Minister to reconsider.

There is no doubt that the proposal puts a great focus on and stresses the potential of Dublin Airport. Deputy Michael McNamara spoke about Shannon Airport and I want to speak briefly about Cork Airport, on which there is not much detail in the report. There is some mention of the possible expansion of routes, but in reality there is very little detail about Cork Airport. It is suffering enough as it is and the proposal could have a detrimental impact in the long term on regional airports, including Cork and Shannon. The Taoiseach said yesterday that the sale would do great things for Knock airport and would expand the routes out of it, but we have not received any assurance in Cork that routes will be expanded. One of the biggest impediments to Cork Airport is that the runway is not long enough to take international flights. Cork is the second largest city in the Twenty-six Counties and if we want to build economic hubs and attract foreign direct investment, surely Cork Airport needs to be expanded to enable it to compete on that front with Dublin and Shannon airports.

I have concerns about this proposal, as many other Opposition Deputies do. I know that the Labour Party raised many concerns when the deal was first mooted, but all of its Deputies bar one, to my knowledge, have now accepted the assurances given by IAG and the Government. Deputy Michael McNamara has indicated that he is unable to support the proposal at this time. The Minister may not believe it is possible to build a consensus across the Chamber because this is politics. The Government proposes something which the Opposition opposes. However, if he wants to build a consensus on an issue such as this, which is of strategic economic importance to the long-term interests of Ireland, we need to get into the committee to discuss all aspects, including the Nyra's report, and come to an informed decision. I implore the Minister to consider suspending the vote today, referring the matter to the Joint Committee on Transport and Communications for three days next week and awaiting the outcome of its deliberations.

Deputy Brian Stanley: I welcome the opportunity to speak on this matter. I would rather we were not here this morning discussing the sale of what is left of Aer Lingus after the Fianna Fáil sale of the century. That party sold off three quarters of the company. The sale of the remaining shares in this company is bad for workers, customers and the economy. It is not only Sinn Féin that is saying that because the late Garret FitzGerald said it many times. I heard him speak at length about this. Many economists on the right, left and centre have outlined their position on and concerns about this in the recent and not-so-distant past.

The Minister and I know the guarantees are not worth the paper they are written on. I will tell him why they are not. All one has to do is look at the Irish Constitution and EU competition laws. The solicitors and barristers will have a field day. If any future Government, union or other body ever has the liathróidí to stand up to the international company IAG, take it on and try to challenge it over this, it will not be able to do so. IAG will rule the roost as it will own the company. When one sells something, it is gone. The conditions will not stand up to international, European or Irish law, and that is the fact of the matter. The guarantees are simply letters of comfort. All too often, we have seen where letters of comfort lead one; they lead one into a false comfort zone that brings one nowhere.

I heard Fianna Fáil having a go at the Government over this deal. It is correct to outline the problems with it but it was sickening listening to Fianna Fáil criticising the Government for selling off the remaining 25% share when Fianna Fáil itself sold three quarters of the company. Fianna Fáil is criticising the Government for selling a quarter of the company although it sold

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off three quarters of it for a fraction of what the Minister is supposed to be getting for one quarter. Deputies Seán Fleming and Timmy Dooley outlined their great concerns over this deal on the airwaves over the past few days. One could fall around the place laughing at the good of it but we want some consistency. It will be a bad day for Ireland, workers and the economy and the customers of Aer Lingus if this sale goes ahead.

I heard Labour Party Members claim they were persuaded to support the sale on the basis that jobs would be secured for existing staff. SIPTU has said that the company has told Minister of State Deputy Gerald Nash that it will establish registered employment agreements that will ensure there will be no compulsory redundancies or outsourcing. SIPTU is right on insisting that this be achieved before the sale is signed off on, bearing in mind that we do not want it to go ahead.

Why was the guarantee for the Aer Lingus workers written into the articles of agreement? The new industrial relations legislation, which the Government has said will embody the protections that were contained in the registered employment agreements, has been published and will be before the House later today. As matters stand, however, it will not be in place prior to the sale. Therefore, all the workers have been promised is the threadbare letter.

In general, Labour Party support for the sale further underlines the shift that party has made. It is now fully on board with Fine Gael, and in accord with the position of Fianna Fáil when it was in power, in respect of the privatisation of State assets. It refuses to support calls from Sinn Féin and others to support constitutional protection against the privatisation of other key State assets, such as Irish Water. We saw that earlier. The Labour Party will argue that other privatisations that have been recommended, such as that of Coillte, were not proceeded with. However, they were agreed in principle. The only reason for not going ahead with the sale of Coillte was that the Government was not offered enough money. As the report of Coillte showed, the economics of such a sale made no sense. It makes no sense to sell off key assets for a fraction of what they are really worth considering the cost of building them up over many years - almost 80 years in the case of Aer Lingus. This logic applies as much to Aer Lingus as to Coillte or any other public company. It would be absolutely outrageous for the sale to happen.

For Fianna Fáil to accuse the Government of being unpatriotic for proposing to sell off the remaining State share in Aer Lingus is very ironic. Fianna Fáil is the same party that, in 2006, decided to make the biggest move towards privatisation. A total of 75% of the total company stock of shares was put up for sale. It is generally agreed that this was a disaster. Fianna Fáil's sale of 75% was an absolute firesale and it was outrageous that it happened in the middle of a boom. Events at Aer Lingus since 2006 have demonstrated this. Over recent days, we have heard a lot about the fact that the company, being small, cannot survive in the global market but I have heard some experts say in recent days that because of our strategic location in the north Atlantic, we are strategically positioned for Aer Lingus business to grow as it is. Aer Lingus had plans to go ahead with the expansion of its business. Its balance sheet over the past couple of years, particularly last year, shows that the company is highly profitable.

If I have a choice between flying with Ryanair and Aer Lingus, I prefer to fly with Aer Lingus. It sometimes costs a bit more but I am prepared to pay a bit extra because of loyalty. If the company were sold off, I would not have any loyalty to an international company. I am sure there are many people like me throughout the State. I prefer to fly with Aer Lingus when I can, not that I do a lot of flying. On the one or two occasions per year that I get out of the place, I go with Aer Lingus.

Fianna Fáil also planned the wholesale privatisation of other companies before it was defeated and lost power in 2011. When it was in power, it privatised the very successful company Irish Sugar. In 2006, it let go the last share in Greencore and facilitated the closure of the Irish sugar sector. This should not have happened. It was a prelude to a property deal. Hundreds of jobs were lost in Laois, Carlow and other counties. As a consequence, the workers, growers and contractors were left with a pittance in compensation at that stage. Of course, we discovered later that the EU rules showed that what occurred was not necessary. It was not necessary to close the sugar industry, despite the claim of the then Minister, Mary Coughlan, and other Fianna Fáil spokespersons. I remember attending meetings at which I learned that the bulk of the compensation paid out under Fianna Fáil went to Greencore, not the workers, contractors or growers in Laois, Carlow and the surrounding counties. There is absolute hypocrisy.

Today, Fine Gael and the Labour Party are in the driving seat. The Minister must ensure the deal does not go ahead. It is not worth the paper it is written on. The documents and letters that have been issued to the Minister are not worth the paper they are written on because they will simply not stand up to future scrutiny.

We cannot continue with the troika of Fianna Fáil, Fine Gael and the Labour Party that is in favour of privatisation. I am asking the Minister to hold off on this and refer the matter to the transport committee so it can tease out all the issues in full next week. To proceed with this deal after two short debates in this Chamber over the past couple days would be outrageous. It must stop. The Minister must refer the matter to the transport committee so all these issues can be teased out fully and he should press the pause button on this sale.

Deputy Bernard J. Durkan: I am delighted to have an opportunity to speak on this important issue. Reference was made to the Labour eight. I am among the Fine Gael ten who have equal and genuine concerns about the future of Aer Lingus. In fact, we have aired these concerns and brought them to the attention of the Minister, as have my colleagues in the Labour Party. We were correct to do so. This is a major issue and concerns us all. It concerns the workforce in Aer Lingus and the future of the company. It concerns Irish aeronautics and the possibility of this country expanding as a major international aviation hub. That opportunity does arise but does not arise other than through this particular route, although it was much talked about in the past. That was one of the measures I identified by way of parliamentary question as being desirable in the context of the disposal of the Government's share in Aer Lingus.

I am impressed by the genuine concerns expressed by Members in the House in the past 24 hours or so. They have a genuine reason for expressing these views and have the best interests of the company, the workforce and the country at heart. This applies to those affected in Cork, Shannon and Dublin airports. An important point to come out of the debate is that we will continue to have the shamrock flying internationally across the globe. That is positive. We have received a clear indication that extra jobs will be created. There are genuine concerns about the possibility of job losses, but we must take the agreements on their merits and at face value. It is not a good idea to enter into negotiations presuming the outcome will be negative. It is not a good idea to sign an agreement or have somebody else sign one and say we are signing it but we do not think the other party will stick to it. That is a recipe for disaster.

What really takes me to the fair is the tear-jerking concern expressed in the past two days by the quarter of the House that expresses genuine concern and sympathy for the Labour Party. It could not care less. There is only one thing those Members have in mind and that is how they can cause a crisis and drag it out over the next fortnight or three weeks and to disturb something

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in the woodwork. That is what they are hoping for. They have no concern for the country or the future of Aer Lingus, which is the most important aspect. It was particularly cynical of the Leader of the Opposition to chase after the genuinely held concerns of a member of the Labour Party to try to push him over the edge because that is what it was all about. There are genuine concerns in the minds of many here and they have every right to express them. The issue is serious because we do not have much to play with. We must remember that we have a 25% shareholding, the legacy of those sitting in on the Opposition benches, as Deputy Brian Stanley rightly pointed out. The criticism being levelled in this direction falls flat when one thinks of what happened in the case of Greencore. Not only was no attempt made to do anything about it, every attempt was made to facilitate the closure of the sugar industry to supposedly improve the lot of genuine sugar producers elsewhere in the world. That was proved to be a load of rubbish.

What really takes me to the fair is the degree to which the Members on the other side of the House divest themselves of all responsibility for selling 75% of the shareholding in Aer Lingus without anybody telling them that it was a good thing to do. They thought they had to get rid of it quickly because it might drop in value, which would have been terrible. It could have been politically embarrassing. That was the only reason it was done; there was no other reason. The people who took the decisions had no concern whatsoever for the workforce in Aer Lingus. The only time they expressed concern about them was at election time. That was the end of it.

The deal on the table is as good as what can be achieved. It offers great potential for the expansion of Aer Lingus and an increase in the workforce in the future and I expect it to deliver. This is the genuine concern expressed by those near the coal face.

I am concerned about the health of some Members who have spoken in the past 12 or 14 hours. I have seen many Pauline conversions in the House, but last night I saw a Member speak as if he was a recent convert to Marxism. In fact, Karl Marx himself would not have expressed greater concern about this proposal. To make matters worse, I am sure it was a genuine mid-life political crisis. It could not have been anything else because some of the Members concerned have been known hard-line right-wing promoters of a completely different ideology during my time in the House and for a considerably longer time. I am genuinely concerned about them as they are experiencing a crisis which I know has everything to do with politics and nothing to do with expressing a genuine concern for people. It has nothing to do either with the future of Aer Lingus, other than using it as a political football for the sake of opportunism.

There is a genuine possibility for the development of this country as an international aviation hub. It has huge prospects and there is all to play for. If it cannot be done, it will not be for the lack of effort. That commitment should be across the board and on all sides of the House. The nationalism and patriotism in which we take so much pride and we will see next year behove all of us to recognise that the national interest is at stake. I am sorry for the gang on the other side of the House, with their hand-wringing, knee-jerking, tear-jerking, tearing out of hair and beating of breasts. I can recommend to them a good practitioner who could deal with that problem because there is grave danger that they will begin to believe what they are saying themselves. What is most dangerous about political propaganda is when those who express it are so committed to it that they begin to believe it. It is when they begin to believe it that a serious problem emerges.

I can assure Members on the other side of the House that the agreement reached is the best that can be achieved. I compliment the Minister and the Minister for State at the Department of Jobs, Enterprise and Innovation, Deputy Gerald Nash, on their efforts in bringing the ship

ashore. Flights will continue to land as a result of this agreement and the airlines involved will expand their facilities and services to include far more regions than have been envisaged so far. We expect this to happen and have a right to expect it to happen as a result of the agreement. I congratulate the Minister and the Minister of State on sticking with it. We should remember that we were treated to a series of crises in the past two months about whether the Government would sell and Labour Party backbenchers would be able to stand for it. We know that Fine Gael always believes in selling everything. I could write the script. Members opposite should cease making telephone calls in the middle of night to those whom they think might be wobbling on this side of the House. We are not for wobbling.

We wish all those involved in the agreement every success and expect it to deliver. We are concerned about the sorrow expressed and the disappointment of Members on the opposite side of the House. We know that they are disappointed, but the agreement is a manifestation of a quote from George Bernard Shaw:

You see things; and you say “Why?” But I dream things that never were; and I say “Why not?”

Deputy Dinny McGinley: I cannot but agree with everything Deputy Bernard J. Durkan said. I cannot think of anyone who could put it better. When this debate was initiated, I did not know whether I should speak in it. After all, I come from County Donegal and people might wonder what the issue has to do with me. It has something to do with every Irish man and woman because Aer Lingus has been a part of what we are for many years and generations. We are very proud of its record and the standards it has achieved. When one comes home, it is great to pass through the terminal and see the shamrock and the signs of the national airline. It has set a standard in air travel that has been rarely been met. I, therefore, acknowledge what it has done for us.

12 o'clock

I wish to acknowledge the excellent work that has been done by the Minister. He has been very patient and did not rush into this. He took his time and has secured an excellent deal.

We should not look a gift horse in the mouth. First, the price per share at €2.50 could not be bettered. The deal ticks all the boxes. It will maintain employment as well as creating an estimated 635 new jobs between now and 2020.

Debate adjourned.

Topical Issue Matters

An Leas-Cheann Comhairle: I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 27A and the name of the Member in each case: (1) Deputy Seán Ó Feargháil - the need to ensure all new schools classified as DEIS schools meet the criteria for inclusion in the scheme; (2) Deputy Terence Flanagan - concerns regarding the presence of lead in the water supply in some areas of Dublin Bay North; (3) Deputy Frank Feighan - the reason for the delay in opening the ambulance centre in Loughlinn, County Roscommon and proposals to remedy the situation; (4) Deputy David Stanton - the need for a working group to co-ordinate delivery of supports to those who developed narcolepsy as

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a result of receiving the Pandemrix vaccine; (5) Deputy Caoimhghín Ó Caoláin - the assessment of the provision of alternative premises at the Department of Social Protection offices in Ballybay, County Monaghan, to protect jobs; (6) Deputy Brendan Griffin - the need for the new N22 Cork-Kerry road in light of the high number of deaths since 1990; (7) Deputy Charlie McConalogue - the need for State investment in tourism facilities at Malin Head, County Donegal; (8) Deputy Seán Conlan - the assessment of the provision of alternative premises at the Department of Social Protection offices in Ballybay, County Monaghan, to protect jobs; (9) Deputy Martin Heydon - the need for faster roll-out of the broadband plan for rural Ireland; (10) Deputy Clare Daly - the closure of the Dunnes Stores shop in Gorey, County Wexford; (11) Deputy Mick Wallace - the closure of the Dunnes Stores shop in Gorey, County Wexford; (12) Deputy Eamonn Maloney - the Central Bank report on the micro-loan scheme and the credit unions; (13) Deputy Mattie McGrath - the decision to withdraw funding from the south Tipperary lone parent initiative; and (14) Deputy Paul Murphy the taking of businesses in the hospitality sector into receivership by NAMA in the Dublin 24 area and the subsequent loss of jobs.

The matters raised by Deputies Griffin, McConalogue, Feighan and Maloney have been selected for discussion.

Leaders' Questions

Deputy Timmy Dooley: As the House should be aware, nine years ago Aer Lingus was transformed from a crisis-ridden airline on the verge of collapse into a vibrant, reformed, modernised, healthy, independent carrier with investment that flowed from the sale of 75% of the State's share holding. That allowed for the modernisation of the fleet and investment in the company. Since that decision nine years ago, the airline has flourished. Passenger numbers are up, the company is highly profitable and growing and it has a very healthy balance sheet. Aer Lingus is in a strong financial position to weather any potential storm or any perceived risk within the aviation sector.

A decision was made at the time of the sale by the then Government to keep a strategic 25.1% shareholding in the company which had legal and contractual conditions attached to protect the strategic interests of this State. At the end of the day, Aer Lingus is an airline, Ireland is an island and the two are inextricably linked. The company is uniquely Irish and still holds a strong bond with the Irish people. At the time we retained two public interest directors to sit on the board to protect Ireland's interests.

However, later today this House will be voting on a motion to sell the remainder of the State's share holding in Aer Lingus for a consideration of approximately €335 million. The announcement on Tuesday night by the Minister for Transport, Tourism and Sport, Deputy Donohoe and the way this debate has been handled shows that the Government is determined to get this decision rammed through the Houses of the Oireachtas as quickly as possible and without any due consideration or appropriate debate. Has the Tánaiste learned anything from the Irish Water debacle? Has it not dawned on her that if the Government allows for debate in this House unexpected events might be avoided and perhaps Members on the Government backbenches or on the Opposition benches might express opinions that would be helpful in the development of policy overall?

The leaking of the Nyras report proves the point I am making. The Taoiseach and the Minister for Transport, Tourism and Sport, Deputy Donohoe indicated yesterday that they had not

seen it, were not aware of it, did not know its contents and were not aware of its significance. I have read sections of that report, which is daunting. It outlines the potential for a further €60 million in cuts to the cost base of Aer Lingus by allowing for low pay and by forcing a higher turnover of staff, as is the case with Vueling. It sets out clearly that companies can retain staff for a relatively short period of time because staff will leave if one forces their pay down. That allows for a move away from long-term contracts of employment and all that goes with them. Perhaps the Tánaiste is not aware of the report but I would have thought that she would allow for a broader debate so that she could become aware of the facts and the kind of vision that IAG and Aer Lingus have for the future.

An Leas-Cheann Comhairle: Thank you, Deputy.

Deputy Timmy Dooley: The report compares and contrasts the cost base at Aer Lingus with that at EasyJet and Vueling, two well-known and successful budget airlines. Both companies have highly aggressive industrial relations practices and I would have thought that would raise concerns for the Tánaiste. Since this report has been highlighted, there has been a desperate attempt to mollify, appease and console some of her party's backbenchers. We understand there are letters flying between the Minister of State at the Department of Jobs, Enterprise and Innovation, Deputy Nash, and the CEO of Aer Lingus on an almost hourly basis. An issue is forgotten, a letter is updated and more information is supplied to help to get somebody else through the gap and so forth. I was on a radio programme this morning with a member of the national executive of the Labour Party, the president of SIPTU, Mr. Jack O' Connor who said that he accepted that the vote was going to go through this evening. However, he added that if the agreements that were outlined in a letter between the Minister of State, Deputy Nash, and the CEO of Aer Lingus are not respected he will prevail upon the Tánaiste and the other Labour Party members of Government to block the deal at a later stage.

Deputy Michael McCarthy: Why did he not do that nine years ago?

Deputy Paul Kehoe: This is a Second Stage speech.

Deputy Emmet Stagg: Where is the question?

An Leas-Cheann Comhairle: Allow the Deputy to ask his question.

Deputy Timmy Dooley: Does the Tánaiste expect to be in a position-----

(Interruptions).

An Leas-Cheann Comhairle: Can we have a question please, Deputy?

Deputy Timmy Dooley: Can I ask the Tánaiste if the decision taken by the Government on Monday is final? If, as we expect, the vote passes in the House this evening, will that be final? Does the Tánaiste have any additional powers, outside of the Constitution, that will allow her to block decisions that are already taken at Cabinet and in this House? If so, perhaps she will communicate them to the House because the president of SIPTU, a member of the Labour Party national executive, believes that she has.

An Leas-Cheann Comhairle: Thank you, Deputy.

Deputy Timmy Dooley: In addition to that-----

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Deputy Paul Kehoe: The Deputy has been speaking for six minutes.

(Interruptions).

An Leas-Cheann Comhairle: Sorry, Deputy Dooley, you are over time. Please ask your question. You will have another opportunity-----

(Interruptions).

An Leas-Cheann Comhairle: Please conclude now Deputy.

(Interruptions).

Deputy Timmy Dooley: With respect, if I did not have the chorus from the backbenches, I would have fitted within the time-----

An Leas-Cheann Comhairle: Please finish the question.

(Interruptions).

Deputy Timmy Dooley: If I could conclude, please-----

Deputy Emmet Stagg: Deputy Dooley has had double the time allowed under Standing Orders.

Deputy Niall Collins: Deputy Stagg does not run the House.

(Interruptions).

Deputy Timmy Dooley: Will the Tánaiste alter the Order of Business to allow for a suspension of the vote-----

Deputy Bernard J. Durkan: The Deputy can have an extra 20 minutes.

Deputy Timmy Dooley: -----so that all of these reports can be taken to the Oireachtas Joint Committee on Transport and Communications where members can have a proper open and frank debate? We can sit next week to do it, in line with original promises made by the Government, so that all of the reports can be considered. We can look at these so-called legal guarantees, the emergence of this “B” share and whether it is all it is made out to be and so on.

(Interruptions).

Deputy Bernard J. Durkan: Why did Fianna Fáil not look for guarantees when it was selling 75%?

Deputy Timmy Dooley: I would respectfully suggest-----

Deputy Robert Troy: That is why we held on to the 25.1%.

Deputy Timmy Dooley: With respect, we can have all sorts of banter on the sidelines-----

Deputy Bernard J. Durkan: Ten minutes. The Deputy can have ten minutes.

Deputy Timmy Dooley: -----but I am not making political points here. I am making very serious points-----

(Interruptions).

Deputy Timmy Dooley: I am asking the Tánaiste, in the best interests of the State, to pause the decision the Government is about to take this evening and allow for an element of consideration by all Members of the House-----

Deputy Colm Keaveney: Deputy Durkan should have respect for those workers who will lose their jobs.

Deputy Timmy Dooley: The Government controls the aforementioned Oireachtas committee so it will still get its decision through. Can we have a little bit of time to consider the enormity and the consequences of the decision?

Deputy Emmet Stagg: Ten minutes. Give them ten minutes.

The Tánaiste: First, the opportunities for this country arising from the further expansion, growth and development of Aer Lingus, including the promised significant expansion in the number of people employed by the company, are very solid. As Deputy Dooley will be aware, this is particularly important in areas like the mid-west and we expect to see continued strong growth in tourism into Ireland. It is vitally important that we get more aviation capacity into Ireland right now. At the core of the proposal for Aer Lingus is to expand business, have more flights and honour commitments on existing flights and services, not just with regard to Dublin but also to Shannon and Cork airports. All of this provides a strong basis for further growth in employment directly in Aer Lingus, as has been indicated by the chief executive. The report to which the Deputy referred is an internal report in a company that he just acknowledged his party privatised. It is a private company. It would not be common that Departments or even the Cabinet would get detailed ongoing management reports in private companies. The key issue in that report from the extracts I have seen is that 90% of the business referenced in the report is business that is already contracted by Aer Lingus abroad and not in this country. So it has no impact on or inference for employment in Aer Lingus in Ireland.

As the company has committed, it plans to have significant additional employment next year. Nyras is a consultancy company, as I understand it, engaged by Aer Lingus to carry out a confidential analysis of the airline's cost structure. I listened to Mr. Kavanagh, I think on RTE, this morning. He pointed out that the items that were being examined in the report to which the Deputy referred relate to business of the company that is already provided by providers outside Ireland.

I reiterate that there are no implications in this report other than that the company, Aer Lingus, as the Deputy said himself, must like all companies in the aviation business strive constantly for efficiency. One particular individual who has been forgotten in all this is the consumer and customer of airline services based in Ireland.

Deputy Mattie McGrath: They would not want to depend on the Government anyway.

The Tánaiste: Regarding the staff, Aer Lingus has been recruiting in the recent past.

Deputy Dessie Ellis: Why is the Government changing it then?

The Tánaiste: As I am sure Deputy Dooley is well advised of what is happening in Aer Lingus, he will know that there has been significant recruitment of staff-----

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Deputy John Halligan: Look at what IAG did to 4,200 workers when it took over Iberia.

The Tánaiste: -----at the moment and in the recent past. This is an airline that will expand. Moreover, in the discussions with the company - I welcome this - the company has committed to upholding, as it has always done and as the trade unions in Aer Lingus have always done, an absolutely regular and structured interaction between the company and trade unions regarding employee interests, and employment terms and conditions.

Deputy Finian McGrath: What about IMPACT?

The Tánaiste: In addition, the Dáil will shortly have before it legislation on registered employment agreements. The company, represented by its CEO, has undertaken-----

Deputy Mattie McGrath: What did the Government get?

The Tánaiste: This is a significant and important commitment by the company. It has undertaken to expand the access to registered employment agreements to all those groups of workers in the company, some of whom may not at the moment be covered by registered employment agreements. It has also committed to a policy of no compulsory redundancies.

Deputy John Halligan: It committed that to Iberia and there were 4,200 redundancies.

The Tánaiste: As with all institutions, it will continue to seek best value for its customers and efficiency in its operations. All companies are required to do that and I would be a bit surprised if Fianna Fáil objected to that.

Deputy Timmy Dooley: I thank the Tánaiste. We are now clear that the Government is putting all its stock on the sale on the basis of growth projections for Aer Lingus. Those growth projections were already there. Aer Lingus's corporate strategy proposed the addition of one wide-bodied aircraft per year for the next five years. So it was going to generate those jobs anyway. Mr. Willie Walsh made it very clear when he came before the committee that there was nothing additional other than being able to utilise the services that were there and it might be able to assist in generating some passengers as they would travel through.

The Tánaiste said she had seen some aspects of the Nyra report. I bring to her attention one aspect of which it appears she was not aware. It sets out that Aer Lingus's crew costs are much higher than Vueling's. Vueling deliberately pays cabin crew low salaries to encourage staff turnover. It states the average turnover is 40% and the ideal tenure is six to 12 months. Vueling is very good at dealing with its extreme seasonality in this way. It continues to do the comparison with Aer Lingus and states that pay structures, particularly for long-service staff, are responsible for part of the pay gap. The report continues to state there needs to be an aggressive approach by the management to reduce the cost base of the company by €60 million.

The report identifies ways in which to achieve the cost savings and it is on the backs of workers. It is not those elements of the business that are subcontracted outside the State. It states that Aer Lingus ground handling costs are higher than those of both easyJet, by 30%, and of Vueling, by 45%, for each turnaround. If the Tánaiste was not aware of this she should have been. It also states that Aer Lingus self-handles at Dublin, Cork and Shannon stations, whereas easyJet and Vueling are outsourced.

An Leas-Cheann Comhairle: I thank the Deputy.

Deputy Timmy Dooley: The Tánaiste seems to suggest it only relates to activity outside the State. She must have been drinking the Kool-Aid that was presented on “Morning Ireland” by the chief executive of Aer Lingus where he commented on procurement: “Ah, don’t worry about it. It’s all stuff outside the State.” Ground handling is not a procured service at the three bases in Ireland. I doubt if the people who service aircraft and do the turnaround at Dublin, Shannon and Cork will thank the Tánaiste for believing that is the case. Deputy McNamara certainly believes that it is not.

An Leas-Cheann Comhairle: Put a question, please.

Deputy Timmy Dooley: The question is the one the Tánaiste unfortunately failed to answer. Will she stall the vote this evening? Will she allow for an appropriate discussion of all the facts involving all the stakeholders before the Joint Committee on Transport and Communications?

A Deputy: Where is Deputy McNamara?

Deputy Timmy Dooley: Next week is available to us. There would be no hesitation on the part of Members from any side of the House to come back for a couple of days so that the committee can tease through this. It would also then allow the people ultimately to see what is happening. The Tánaiste might not convince me, but she might convince some of her own backbenchers and some the people outside this House of what she believes to be a good decision. Perhaps they will agree with her.

An Leas-Cheann Comhairle: I thank the Deputy.

Deputy Timmy Dooley: However, from what I have seen in this report, it certainly supports the contention that the Government is rushing the decision in this House because it does not want all the facts to be made available. If the Tánaiste is in any doubt as to Aer Lingus’s intentions-----

Deputy Emmet Stagg: That is a long minute, Chair.

Deputy Timmy Dooley: -----as it is currently constituted-----

An Leas-Cheann Comhairle: I thank the Deputy.

Deputy Timmy Dooley: -----she should be under no illusions that when IAG becomes the owner, its board of directors and shareholders will only be interested in one thing. It is about reducing those costs to the absolute minimum level possible and increasing the profitability.

An Leas-Cheann Comhairle: I call the Tánaiste.

Deputy Timmy Dooley: There is no reference whatsoever to the strategic interest of the State.

An Leas-Cheann Comhairle: I have called the Tánaiste.

The Tánaiste: Deputy Dooley is speaking on behalf of the party that privatised Aer Lingus and sold it off right around the world with no interest in who actually bought it. He now proposes to make a political football of it, kick the stuffing out of Aer Lingus, and make a joke of the dedication and work of the staff and management.

(Interruptions).

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The Tánaiste: It ill becomes the Deputy to try to make a joke of Aer Lingus.

Deputy Colm Keaveney: The ones who are laughing are those sitting behind the Tánaiste.

The Tánaiste: Fianna Fáil sold it off and Deputy Dooley now comes in here and tries to make a political football of Aer Lingus.

Deputy Finian McGrath: And the Government is finishing it off.

The Tánaiste: He should be ashamed of himself.

Deputy Timmy Dooley: The Nyras report is no joke.

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

The Tánaiste: From what we understand of what he said, Deputy Dooley obviously only had an opportunity to look at two pages of a much lengthier report.

Deputy Timmy Dooley: I have over 40 pages.

The Tánaiste: To answer Deputy Dooley's point-----

Deputy Timmy Dooley: I will give it to the Tánaiste if she wants it.

A Deputy: Give it to the usher, Timmy.

The Tánaiste: Am I allowed to answer his point?

Deputy Niall Collins: That would be a first.

The Tánaiste: The questions he is asking are answered in the letter from the chief executive of the company, which states: "We have committed to expanding the scope of these registered employment agreements where appropriate to include staff groups not covered by the current agreements."

Deputy Willie O'Dea: Who in particular?

Deputy Finian McGrath: So why is IMPACT not happy?

The Tánaiste: In English, that means that any groups of staff not currently covered-----

Deputy Colm Keaveney: That is what they said about Iberia.

The Tánaiste: -----by registered employment agreements-----

Deputy Willie O'Dea: That concerns pay and conditions, not jobs.

The Tánaiste: -----will be covered by those agreements.

Deputy Willie O'Dea: They can transfer jobs.

The Tánaiste: Second, I also commit to the principle that Aer Lingus would not utilise compulsory redundancies and non-direct employment in a scenario where the changes and efficiencies to the business can be achieved. That is the way all businesses operate. What Deputy Timmy Dooley is putting to us is a fantasy. Aer Lingus has achieved enormous growth and

efficiencies. The country is poised-----

Deputy Dessie Ellis: When is the Government selling it?

The Tánaiste: We are not selling Aer Lingus; we are selling a share-----

Deputy John Halligan: The Government is giving it away.

The Tánaiste: We are acquiring an indefinite veto in relation to the slots.

Deputy Dessie Ellis: There is no such thing as an indefinite veto, as the Tánaiste knows.

(Interruptions).

An Leas-Cheann Comhairle: Order, please.

The Tánaiste: We are acquiring and developing a B share in the company-----

Deputy Willie O'Dea: It is meaningless.

The Tánaiste: -----which will give an indefinite veto to the holder, the Minister for Finance, in relation to the slots at Heathrow Airport.

Deputy Willie O'Dea: It is utterly meaningless.

Deputy John Halligan: The Tánaiste does not even believe it herself.

The Tánaiste: In an earlier-----

An Leas-Cheann Comhairle: Thank you, Tánaiste.

The Tánaiste: The Chair gave Deputy Timmy Dooley a lot of time.

An Leas-Cheann Comhairle: I am operating Standing Orders for everybody.

The Tánaiste: In an earlier discussion on Aer Lingus Deputy Timmy Dooley was concerned about the lack of an intervention when slots were being transferred from Shannon Airport to Belfast airport. The B share will give the Minister for Finance a veto in relation to the slots. That is the reason it is welcomed by people in the mid-west.

Deputy Timmy Dooley: It does not. The Tánaiste is misleading the House and she knows it.

Deputy Kevin Humphreys: Deputy Timmy Dooley has misled the House.

(Interruptions).

An Leas-Cheann Comhairle: Quiet, please.

Deputy Mary Lou McDonald: The Tánaiste criticised Deputy Timmy Dooley for having sight of two pages of the Nyras report. At least he had sight of two pages of the report-----

Deputy Timmy Dooley: One hundred pages.

Deputy Mary Lou McDonald: -----or, perhaps, more, which is more than can be said for the Tánaiste, the Minister for Transport, Tourism and Sport and the Taoiseach. Later today the

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Government intends to railroad through the House the sale of a strategic State asset, the State's 25% shareholding in Aer Lingus. It wants us to agree to the sale of our interest in what is a profitable company which has cash reserves and other assets, the value of which exceed the proposed sale price. The Tánaiste has acknowledged the current plans of Aer Lingus to expand business and increase the numbers of flights and jobs. She has also acknowledged not only the viability but also the rude good health of Aer Lingus, in which the State has a 25% strategic stake, yet the Government wants to go in with a wrecking ball and subvert the influence the State and the people have in what is a strategic piece of infrastructure.

That Fine Gael advances his approach is no surprise. After all, it desperately wants to have an election slush fund to buy votes with more tax cuts for the wealthy, but for the Labour Party to sign up to this fire sale is truly incredible. When Fianna Fáil sold off 75% of Aer Lingus, the Labour Party vigorously opposed the move.

Deputy Finian McGrath: That is right.

Deputy Mary Lou McDonald: Labour Party back bench Deputies were once among the staunchest defenders of the State's interest in the airline, but like so many long-standing Labour Party policies, it was quickly dropped once it got into bed with Fine Gael. I have no doubt that the Labour Party would have signed up to the earlier deal forwarded by Mr. Willie Walsh were it not for the opposition of some of its backbenchers who became known as the Aer Lingus 8. It now appears there is only an Aer Lingus 1 in the ranks of the Labour Party.

Deputy Finian McGrath: Deputy Michael McNamara.

Deputy Mary Lou McDonald: What this deal boils down to are vague or, at least, qualified promises of no compulsory redundancies and no out-sourcing, promises which have been qualified by everybody who has spoken about them and flatly denied in the Nyra report which envisages a very clear recipe of redundancies, out-sourcing and damage to terms and conditions of employment. What the deal also envisages is exactly and precisely nothing, nada, for pensioners, particularly deferred pensions whom I am sure the Tánaiste remembers.

An Leas-Cheann Comhairle: A question, please.

Deputy Mary Lou McDonald: The pensioners are to get nothing, but the executives are to enjoy a bonanza, pay-outs of the scale of a bonanza. Riddle me this: how does this tally in any shape or form with what we might understand as the national interest? How will the Government ever convince people that we are in a stronger position without a share in Aer Lingus as opposed to having a strategic 25% share? The Tánaiste has claimed that the B share represents a veto - she used the word "veto" very deliberately - for the Minister for Finance. This is the first time the B share which, according to many, is legally dubious has been described as a veto. Will the Tánaiste set out her rationale for making that assertion?

The Tánaiste: In regard to Aer Lingus, all of us would agree that the strategic issues concern services for consumers and connectivity to and from the island at reasonable airline prices; jobs and job security and access to and from markets that are important to us in terms of tourism and business investment. Everybody in the House agrees that they are the key issues in terms of the airline's services in Ireland.

Deputy Dessie Ellis: Yes, we have them already.

The Tánaiste: We have two airlines in Ireland. In regard to Aer Lingus, what is important to people in terms of airline services in and out of the country, provided proudly by Aer Lingus as a carrier during the decades, not only is being maintained and secured in this agreement but also advanced. I confidently expect, given, for example, the improvement in sterling and the dollar *vis-à-vis* the euro, that we will be ready for a further influx of tourists, which means that we will need more capacity for growth in Aer Lingus. Also, the Aer Lingus name and logo which many Irish people, including me, hold dear and the fact that Aer Lingus has its headquarters in Ireland-----

Deputy Colm Keaveney: A brass plate.

Deputy Dessie Ellis: For now.

The Tánaiste: -----means that it will continue as a distinct company as part of the IAG business into the future when, and if, the deal is concluded which obviously is dependent on other shareholders and the decisions they make which will not be known for some time. Assuming that the deal proceeds, it will give Ireland a significant advantage in that it will place it in an even greater spot to attract international investment into the country.

Deputy Finian McGrath: A slush fund to buy the election.

The Tánaiste: It will also give Irish people travelling to and from the country better services and, in particular, provide staff in Aer Lingus with greater job security-----

Deputy Finian McGrath: Another stunt.

The Tánaiste: -----as per the commitment I have read from the CEO and managing director, Mr. Kavanagh, to a policy which has always been in place in Aer Lingus and which was successfully negotiated between management and unions in the company of no compulsory redundancies and on the extension of registered employment agreements to groups of staff not already covered. The registered employment agreement legislation which will be brought before the House shortly-----

Deputy John Halligan: IAG made 4,200 employees in Iberia redundant and will do the same in Aer Lingus.

The Tánaiste: As has been sought in Ireland for, probably, about 30 years, it will give greater protection to workers. Therefore, workers in Aer Lingus will enjoy greater protection in their employment.

Deputy Finian McGrath: Soundbites.

Deputy John Lyons: The soundbites brigade is on the other side of the House.

The Tánaiste: There have been, as referred to by Deputy Timmy Dooley, structured redundancies on a voluntary basis in Aer Lingus on a very extensive scale in the time since Fianna Fáil privatised the company. The share held is significant.

Deputy Timmy Dooley: Who told the Tánaiste that?

The Tánaiste: As I said, the deal offers the State a veto through the B share to block any disposal of the Heathrow Airport slots for an unlimited amount of time.

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Deputy Róisín Shortall: That is not true. It is a con job.

Deputy Timmy Dooley: The articles of association have been changed by a figure of 75%-

The Tánaiste: To be realistic, the 25% shareholding does not offer any veto in relation to the Heathrow Airport slots.

Deputy Róisín Shortall: It does, with a further 5%.

The Tánaiste: We heard from Deputy Timmy Dooley how people in Shannon felt when they lost some services to Heathrow Airport to Belfast airport. That was not covered by Fianna Fáil's 25% so-called "golden share". It will be covered by the "B" share arrangement and Sinn Féin should be aware of that.

Deputy Timmy Dooley: Does the Tánaiste recall that we got it back?

The Tánaiste: What was lost in Shannon will not now be able to be lost, due to the pertinence of the "B" share.

(Interruptions).

An Leas-Cheann Comhairle: Order, please. I call Deputy Mary Lou McDonald.

Deputy Mary Lou McDonald: I do not accept the manner in which the Tánaiste has characterised the "B" share. To say the least, I believe she is over-egging matters. If she was a union official representing or negotiating on behalf of those workers whom she says will have greater protection in this new scenario, she would be fired, and justifiably so.

The Tánaiste: Why so?

Deputy Mary Lou McDonald: The Tánaiste is relying entirely on the say-so of the CEO. It seems she is relying entirely on the good wishes, good will and rhetoric in the midst of this political manoeuvre, on the word of others. That is what she is doing. That is not good enough for the Aer Lingus workers, because promises and letters of comfort, as she is probably aware, have a very poor track record in respect of that company.

The Tánaiste's words will be of no comfort either to the Aer Lingus pensioners and deferred pensioners. She should remember this group, because both she and the Minister for Transport, Tourism and Sport, Deputy Donohoe, met them. She let them down. She made promises to them that she did not keep.

Deputy Finian McGrath: Shafted them.

Deputy Mary Lou McDonald: In many instances, those deferred pensioners have seen their pension entitlement slashed by 50%, and more in some cases.

A Deputy: Not the CEO.

Deputy Mary Lou McDonald: That is how well the Government honoured that set of pensioners. Now, under this scheme, these pensioners get nothing. They get nothing, bar, perhaps, the two fingers from the Government.

An Leas-Cheann Comhairle: May we have a question please, Deputy?

Deputy Mary Lou McDonald: The Tánaiste cannot explain away the central contradiction of her position, and I would have thought this issue would have been of more concern to the Labour Party than to its Fine Gael colleagues. She cannot explain away the fact that by selling off the 25% stake, a strategic stake in this asset, the Government weakens the position of government, the State and the people. Given we are an island nation, this is of the utmost significance. We will still be an island in seven years' time, but perhaps that thought did not occur to her.

I am sure the Tánaiste will not concede any of my points, but her party colleague, Deputy McNamara, believes she is wrong. He differs. Of all of the Labour Party, he is the one who has taken a stand and differs from the Tánaiste's analysis.

Deputy Emmet Stagg: He is the special one.

Deputy Mary Lou McDonald: Of all of the Labour Party, it seems he is the only one who has remained consistent and true to a view that I also share, that the State must have a holding in Aer Lingus.

An Leas-Cheann Comhairle: Thank you, Deputy. I call the Tánaiste.

Deputy Mary Lou McDonald: The privatisation by this crew was wrong and the Government is simply completing its work. Having ranted and raved, they now complete the work of Fianna Fáil and leave workers, pensioners and the State very vulnerable.

An Leas-Cheann Comhairle: Thank you, Deputy. I must call on the Tánaiste.

Deputy Finian McGrath: On a point of order-----

An Leas-Cheann Comhairle: It is not allowed on Leaders' Questions.

Deputy Finian McGrath: The Tánaiste and the two leaders so far have had 34 minutes on Leaders' Questions. I hope Deputy Tom Fleming will be treated similarly.

An Leas-Cheann Comhairle: That is not a point of order. The Tánaiste to reply.

(Interruptions).

An Leas-Cheann Comhairle: Can we have order, please? I am trying to operate Standing Orders as best I can, but I cannot with interruptions like these.

The Tánaiste: First, I am delighted to say that the Government is introducing something the trade union movement has sought for more than three decades, namely registered employment agreements. Deputies many scoff at this, but it is important to put into law assurances and frameworks for workers in regard to their terms and conditions of work. If people here who consider themselves left wing want to scoff at the idea of protective legislation that defends the rights of workers-----

(Interruptions).

An Leas-Cheann Comhairle: Quiet, please.

The Tánaiste: I think their position is absurd.

Second, there is a strong tradition in Aer Lingus of trade union and management negotiating deals on behalf of workers. This has been the case over a long period, since around the time

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the company was formed. We will bring legislation before the House in regard to the protection of workers' rights, conditions and terms of employment. An undertaking has been given in negotiation that there will be no compulsory redundancies and that registered employment agreements, which operate on a significant scale in Aer Lingus, will be extended to groups of workers currently not covered by these agreements. The company has undertaken to do this and to register these agreements in accordance with the law. This undertaking has been recognised by various people in the trade union movement as an important achievement on behalf of the workers in Aer Lingus and on behalf of workers generally.

Deputy Mary Lou McDonald: By whom in the trade union movement?

An Leas-Cheann Comhairle: Thank you, Tánaiste.

The Tánaiste: In regard to the Deputy's second question, and the Chair allowed her extensive time-----

An Leas-Cheann Comhairle: I am doing my best.

The Tánaiste: In regard to the pension fund, unfortunately, during the previous Government's term, the pension fund was allowed to build up a deficit of approximately €750 million. Fianna Fáil changed pensions legislation in 2009 and this significantly disimproved the position for pensioners and deferred members in various companies, including Aer Lingus.

In the context of the negotiation which was undertaken in regard to saving the pension fund and to rescuing the pensions of the current workers, the retired and deferred workers of Aer Lingus, whom Sinn Féin seems indifferent to, a €60 million package has been agreed specifically for deferred members.

An Leas-Cheann Comhairle: Thank you. I now call Deputy Tom Fleming.

Deputy Finian McGrath: Twenty minutes, now.

An Leas-Cheann Comhairle: I have called Deputy Fleming.

Deputy Tom Fleming: The Carers Association, which represents 187,000 carers in this country attended a meeting with Oireachtas Members on 19 May. The main item on the agenda was the national strategy report for carers and the slow progress being made on the report which was first planned and published in 2012. There are some 42 actions recommended in the strategy, but many of them remain untouched. Several Departments are involved in the implementation of the strategy, including the Departments of Social Protection, Health, Justice and Equality, the Environment, etc. Departments across the board are involved.

The report is now entering its third year. The recent assessment highlighted the slow rate of progress of this plan. It also indicated that it has produced mixed results to date, with some Departments making good progress, others making none and some taking regressive actions.

Some of the issues highlighted included the transition arrangements for carers who are exiting their caring role. The Department of Jobs, Enterprise and Innovation has yet to engage with the strategy in terms of how it treats people leaving the role of carer and supports them in returning to the workforce.

The limit on the number of hours recipients of carer's allowance, carer's benefit and the

respite care grant are permitted to engage in training is currently set at 15 hours per week. That must be extended to at least 20 hours.

Deputy Finian McGrath: Hear, hear.

Deputy Tom Fleming: That limit is preventing many family carers upskilling with a view to returning to the workforce, but there has been no movement on that.

The removal of the bereavement grant shows a lack of awareness of the significant cost on families on the death of their loved ones. The solution offered, namely, asking family carers to apply for an exceptional needs payment at a distressing time in their lives where there is a personal loss and they are vulnerable, shows a lack of understanding of their emotions. That lack of understanding is at odds with the goals of the strategy.

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

Deputy Tom Fleming: I stress the importance of providing affordable options for families to provide care to their loved ones and allow them live in their own homes. A typical example is the housing grant scheme, which is administered by county councils. The mobility aid grant is an essential piece of the jigsaw in allowing people to live in their own homes but funding for that grant has been halved from €79 million in 2011 to just €38 million in 2014. Further changes to the scheme announced in January 2014 will mean that even fewer people are now eligible.

The 19% cut to the respite care grant imposed in the budget of 2014 was regressive. That payment is given to allow family carers take a much needed break from their round the clock caring but in reality it is also used for respite from financial worries and a number of other hidden costs such as medical, electricity and ancillary costs. The failure to reverse the 19% cut in the budget for 2015 was most disappointing.

Deputy Finian McGrath: Hear, hear.

Deputy Tom Fleming: I ask the Tánaiste and her fellow Ministers to get back to the drawing board, address the matters I have raised and enhance what is needed to be enhanced in the forthcoming budget. Some of these matters could be addressed immediately if the windfall was available.

The Tánaiste: I thank the Deputy for his remarks on the work carers do. All of us at one stage or another have been carers. It is vitally important work, particularly in some cases where people have lifelong disabilities. I refer to children in particular but also in other cases when people we know and love are coming to the end of their lives or getting through a serious illness.

I am happy to say that I had a lengthy discussion with both the Carers Association and Age Action Ireland yesterday morning in my office. A number of the issues the Deputy touched upon were discussed by myself and the senior officials dealing with these matters in the Department of Social Protection and with representatives and leadership of the Carers Association and of Age Action Ireland.

The Deputy mentioned a number of issues, one of which is something we are very aware of, namely, what happens to somebody who has been a carer but the person they were caring for either no longer requires care or, in many cases, may have passed on. As the Minister I am anxious to begin to put in place a framework that would assist carers in that position. Already,

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as the Deputy knows, many organisations, not just the Carers Association but also an organisation that is prominent in his county of Kerry, the Alzheimer's Association, provide a good deal of training and information to people who are caring to help them care for themselves. It is important that carers care for themselves.

I said yesterday that I propose to examine the establishment of an after carers package that would allow people who have come out of caring hold on to the carer's allowance for six weeks following which they would be able, as they wish, to begin to access the different schemes and opportunities in education and training available from my Department. I invited the Carers Association representatives to come back to me with specific proposals they might have in that area. For instance, we might consider a number of pilot schemes, which is something in which I have long been interested.

The Deputy also mentioned the issue of the hours spent caring in a week, which was raised yesterday also. I undertook to have my officials examine that because I would be anxious about a situation where somebody is spending a lot of time caring, including in the evening and at night. The Deputy's suggestion is that people would be encouraged to take up more part-time work, but I would like to examine that. It may make sense in particular cases but I would be concerned about somebody taking up a lot of work and then coming home to care for someone who requires a very high level of care because it is a condition of the carer's allowance that people have to undertake care over and above the norm. I would be concerned that people would not over burden themselves because the carer's allowance is meant to provide people with some income support. However, I undertook to examine it and both organisations said they would come back to us. I will await that response.

Regarding this year's budget, I am happy to say that the carers would have benefited from the improvement in the Christmas bonus and the people they are caring for, who in many cases are family members, would also have benefited from the Christmas bonus. People being cared for who are disabled and live alone would also have benefited from the first increase in the living alone allowance in a very long time.

Deputy Tom Fleming: The number of carers estimated by the Carers Association is 187,000, which I believe is a conservative figure. At least another 100,000 are indirectly engaged in caring in some capacity or another. That brings the figure up to almost 300,000 people engaged in caring. That is a huge resource that we cannot underestimate, and the cost-benefit savings to the State from that resource are enormous; it is worth millions of euro.

Allied to that is the people in the voluntary sector engaged in running day care centres who play an active role in that regard. That is essential for the provision of care to infirm and disabled people who can live in their own homes, among their families and communities, which is when they are happiest. It prevents them having to seek long-term care in residential homes, for instance. We need to prioritise many of these issues, which have been forgotten. There should be proper funding from the HSE and other Departments for day care centres.

There are not enough home help hours in the quota of hours allowed by the southern region. In my county, Kerry, thousands of letters have been sent to homes stating that home help hours are being drastically reduced in some cases, and it is wrong. I recently received a letter from the Taoiseach and the HSE stating that the same amount is available as in 2014. In response, I raised the matter earlier. It is not adequate or sufficient, given that extra people are coming on the list for home help. Although it is a wonderful service provided by great people, there is

no point in providing half an hour in the morning and three quarters of an hour in the evening. The Government is providing smaller cuts of the cake. It needs to enlarge the cake, given that more people are coming on board. The answer I received, that the same funding is available as last year, is not good enough. It is not satisfactory. I ask the Tánaiste to go to the Cabinet, the Minister for Health and the HSE and seriously examine and address the matter.

The Tánaiste: This is why I, as Minister for Social Protection, place so much significance on the carer's allowance and benefit, which allow significant numbers of people to get an income from the Department of Social Protection in the context of their being carers. Although they are for the most part full-time carers, some time ago we introduced the half-rate carer's allowance so that people who are already in receipt of another social welfare payment can get an additional payment in recognition of the major job that carers do in providing care for people.

The provision of day care services is very important, particularly for families with children who are in need of care. For older people, we have community centres around the country, many of which are significantly assisted by the social programmes of the Department of Social Protection and schemes such as community employment, CE, and Tús. I have had the privilege of going around the country and visiting centres. It is good that whether one is in Kerry or Leitrim, one can get transport and go to many of the very good local centres a couple of times a week, perhaps have lunch, meet one's friends, play cards and have a bit of entertainment, play bingo. All of it is incredibly important to people's quality of life, particularly older people. As the economy recovers and as we have less budgetary pressure, I would like to prioritise carers.

This morning, I met members of the Carers Association at length and I will meet them again shortly, along with all the other care organisations, and we will examine innovations. We are using the community support programme and budget of the Department to help many people who need support and to give the carers a break when people use the services. Shortly, we will pay the respite care grant to carers around the country.

Deputy Willie O'Dea: The Minister reduced the respite care grant.

The Tánaiste: In prioritising the budget, people stressed to me over and over again that the previous Government cut the weekly carer's payment by €16.40. We have not reached the point at which it is possible to fund a full restoration of it.

Deputy Willie O'Dea: Will the Minister restore the respite care grant?

The Tánaiste: We made a start with the Christmas bonus and there is partial restoration this year. We hope, as the economic recovery progresses, to be able to do more.

Deputy Mattie McGrath: We live in hope.

The Tánaiste: Following my discussions, I will examine particularly the social protection areas.

Deputy Mattie McGrath: The Tánaiste might use the money from the sale of Aer Lingus.

The Tánaiste: I take into account the issue of providing home help hours, which is a major worry for families. It is the subject of part of the national carers strategy and an inspection system is being established to ensure that, in so far as possible, the service is of good quality, which it is. My Department is also focusing on helping to train and gain FETAC level qualifications in caring in such services.

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Order of Business

The Tánaiste: It is proposed to take No. c13, motion re modification of referral to select sub-committee of the proposed approval by Dáil Éireann of the terms of the Statute of the International Renewable Energy Agency, IRENA; No. 13, motion re proposed approval by Dáil Éireann of the Companies Act 2014 (Section 1313) Regulations 2015, back from committee; No. a13, motion re approval by Dáil Éireann of general principles of disposal of shares in Aer Lingus Group plc (resumed); No. 39, Health (General Practitioner Service) Bill 2015 - Order for Report, Report and Final Stages; No. 5, Communications Regulation (Postal Services) (Amendment) Bill 2015 - Order for Second Stage and Second Stage; and No. 6, Industrial Relations (Amendment) Bill 2015 - Order for Second Stage and Second Stage.

It is proposed, notwithstanding anything in Standing Orders, that Nos. c13 and 13 shall be decided without debate; the proceedings in relation to No. a13 shall, if not previously concluded, be brought to a conclusion at 4.42 p.m. today; and the Dáil, on its rising today, shall adjourn until 2 p.m. on Tuesday, 9 June, 2015.

An Leas-Cheann Comhairle: There are three proposals to be put to the House. Is the proposal for dealing with Nos. c13 and 13 agreed to? Agreed. Is the proposal for dealing with No. a13 agreed to?

Deputy Timmy Dooley: We do not agree. Not all the facts about the proposed sale of Aer Lingus are available to Members of the House or to the Irish people. If we are to discharge our duties in line with our mandate, we need the information. I have additional sections of the Nyras report, if the Tánaiste wants it. I tried to give it to the Tánaiste earlier, but was prevented from doing so by the Clerk Assistant of the House, which I will deal with later.

Deputy Kevin Humphreys: That is disgraceful.

Deputy Bernard J. Durkan: It is a threat.

Deputy Timmy Dooley: It would be appropriate-----

Deputy Kevin Humphreys: It is not an appropriate remark.

Deputy Timmy Dooley: Yes, it is. It is truthful. I ask the Tánaiste to get the little chirpy man beside her to stop talking while I am addressing her. I ask the Tánaiste to delay the decision to have the vote cast later today to allow the transport committee an opportunity to peruse all the details, to sit next week to address the matter and to allow for a reasoned debate.

Deputy Bernard J. Durkan: On a point of order, while I have the utmost respect for my colleague across the House, Deputy Timmy Dooley, in the heat of the moment said he would deal with the Clerk Assistant of the House later.

Deputy Patrick O'Donovan: He let himself down.

Deputy Bernard J. Durkan: It was a threat. I ask him to withdraw this remark against a civil servant.

1 o'clock

Deputy Timmy Dooley: For clarification purposes, I intend to address the matter with the

clerk to understand how he was in a position to prevent me from passing information to the Tánaiste through an usher but he could allow another usher to enter the Chamber to provide other documentation for the Tánaiste. As a Member of the House, I have been disenfranchised and would like an explanation. To address Deputy Bernard J. Durkan's concerns, I have explained what I meant.

Deputy Bernard J. Durkan: It is in the context of a threat. He should withdraw it.

Deputy Paul Kehoe: On a point of order, Deputy Timmy Dooley should be asked to withdraw the remark that he would be dealing with the clerk.

Deputy Mattie McGrath: Did the Minister of State ever withdraw allegations made by him?

An Leas-Cheann Comhairle: In case there is any misunderstanding, does Deputy Timmy Dooley withdraw his first comment?

Deputy Bernard J. Durkan: Withdraw.

Deputy Timmy Dooley: Clearly, the Chief Whip has a difficulty in understanding the basic elements of the English language. When I said I would deal with the matter later, as I outlined through the Chair, it pertained to my inability to pass documents to the Tánaiste through an usher because I was prevented from doing so by the clerk.

Deputy Ray Butler: The Deputy said he would deal with the clerk.

Deputy Timmy Dooley: Another set of documents was presented to the Tánaiste by a different usher without intervention by the clerk.

An Leas-Cheann Comhairle: I did not have that information.

Deputy Timmy Dooley: That is unacceptable. It is an infringement of my rights and I want an explanation from the clerk, either in writing or verbally.

Deputy Kevin Humphreys: The Deputy is trying to pull a political stunt.

An Leas-Cheann Comhairle: To clarify-----

Deputy Timmy Dooley: I was alluding to that matter, but, unfortunately-----

Deputy Emmet Stagg: The Deputy's point of order has been clarified.

Deputy Timmy Dooley: -----there has been an attempt by elements in the Government to disenfranchise Members on this side of the House on an ongoing basis.

An Leas-Cheann Comhairle: That is not the issue. I ask the Deputy to clarify-----

Deputy Bernard J. Durkan: He should withdraw the remark.

Deputy Timmy Dooley: Can I be any more clear?

An Leas-Cheann Comhairle: The Deputy is not referring to anything other than raising the issue.

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Deputy Timmy Dooley: I am seeking an explanation for the way in which the clerk dealt with the matter.

An Leas-Cheann Comhairle: That is fair enough.

Deputy Paul Kehoe: On a point of order, the Deputy opposite made a threat that he would deal with the clerk.

Deputy Timmy Dooley: I did not do that.

Deputy Paul Kehoe: The Deputy should be asked to withdraw it.

Deputy Mattie McGrath: The Whip makes threats every day.

Deputy Ray Butler: Deputy Timmy Dooley threatened the clerk.

Deputy Timmy Dooley: I did no such thing.

Deputy Bernard J. Durkan: The Deputy should withdraw the remark.

Deputy Timmy Dooley: I call on the Chief Whip to withdraw his remark.

Deputy Michael Healy-Rae: He has had to withdraw stuff before.

Deputy Paul Kehoe: On a point of order, Deputy Timmy Dooley made a serious threat-----

An Leas-Cheann Comhairle: We now seem to have two threats. We cannot allow this to continue. Deputy Timmy Dooley is clarifying what he said. He is withdrawing any question of a threat.

Deputy Timmy Dooley: There was never a question in that regard. I clarified that I intended to seek an explanation as to why I was unable to pass documents to the Tánaiste and others.

Deputy James Bannon: The Deputy has agreed to withdraw it.

(Interruptions).

An Leas-Cheann Comhairle: Order, please.

Deputy Mary Lou McDonald: On a point of order, I suggest there is too much testosterone in this Chamber.

An Leas-Cheann Comhairle: I would not know.

Deputy Mary Lou McDonald: I have never heard anything as ludicrous as the last exchange.

An Leas-Cheann Comhairle: The Deputy should speak to No. 2 on the Order Paper.

Deputy Mattie McGrath: On which side?

Deputy Mary Lou McDonald: On all bloody sides. I object to the motion and the manner in which it is being handled. We have been asked to deal with a very serious decision with long-term consequences for workers, pensioners and the State in a manner that is wholly unsatisfactory and without sight of relevant and necessary documentation. Whereas the Government

might be happy to rely on the shifting and qualified assurances given by the current CEO of Aer Lingus, that attitude is not shared by Sinn Féin Members and, I suspect, other Opposition Members or the general public.

An Leas-Cheann Comhairle: I call Deputy Ruth Coppinger on behalf of the Democratic Socialist Party.

Deputy Ruth Coppinger: I am speaking on behalf of the Socialist Party.

Deputy Kevin Humphreys: It was never democratic.

Deputy John Lyons: The Leas-Cheann Comhairle should withdraw that remark. The Socialist Party was never democratic.

Deputy Ruth Coppinger: I will ignore the hecklers, both politically and in every other way.

I object to the manner in which the motion is being steamrolled through the Dáil. We should not be holding a vote on the issue today because it has become abundantly clear that the debate in the past 24 hours is not supported by information, documents or the letters of comfort and assurance the Minister for Transport, Tourism and Sport tells us he possesses. Where else have we heard about letters of comfort and assurance? The motion is being rushed through to prevent the communities, workers and families of Aer Lingus staff from putting pressure on Labour Party Deputies, in particular. Those Deputies are breaking a promise they made nine years ago when their then leader, Deputy Pat Rabbitte, jumped up and down to object to the sale of 75% of Aer Lingus. They are now saying Fianna Fáil put two bullets into the horse and even though the Labour Party is going to shoot the final bullet, they will not be the murderers. I am sorry to tell them that they will. They are putting the final nail into the coffin of public control over Aer Lingus. Will they, please, not confuse the issue? They could have sought to increase Government ownership of Aer Lingus by buying shares in the company, as recommended by the economist Paul Sweeney. It is a very important company for the country and one of the top 20 indigenous companies. This is treachery on the part of the Labour Party and we should not vote on the issue until the communities of Dublin West, Dublin North, Cork and Shannon have had a chance to ask their Deputies about it.

The Tánaiste: The Deputy has proposed that the Government spend €1 billion, money which would be taken from health, education and the care services to which Deputy Sean Fleming referred earlier. That may be the policy of a democratic socialist party, but I do not think at a time of scarce resources when families need more investment in education services, particularly in Dublin West, we should divert €1 billion to buy Aer Lingus.

Deputy Ruth Coppinger: The question was about taking a vote today. Will the Tánaiste answer the question?

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

Deputy Ray Butler: Hold your horses.

The Tánaiste: We have protections for workers in Aer Lingus which they did not have for decades in regard to registered employment agreements.

Deputy Ruth Coppinger: Answer the question.

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The Tánaiste: We have guarantees on connectivity and the Heathrow Airport slots which we did not previously have.

Deputy Róisín Shortall: No, you do not.

The Tánaiste: We have ambitious plans to expand employment.

Deputy Róisín Shortall: The Tánaiste is misleading the House.

The Tánaiste: In the next few years, 635 jobs will be created in Aer Lingus, many of them high level jobs such as pilots, cabin crew and engineers.

Deputy Róisín Shortall: Rubbish.

The Tánaiste: We will see far more business as a result in terms of tourism and investment, but the employment will be more secure and there will be connectivity through the slots-----

Deputy Róisín Shortall: The Tánaiste is misleading the House.

The Tánaiste: -----through the mechanism of the B share which offers a higher guarantee than what currently applies.

Deputy Róisín Shortall: There is no such thing as a B share. There is no basis for it in law.

Question put: "That the proposal for dealing with No. a13 be agreed to."

<i>The Dáil divided: Tá, 59; Níl, 47.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Bannon, James.</i>	<i>Aylward, Bobby.</i>
<i>Burton, Joan.</i>	<i>Boyd Barrett, Richard.</i>
<i>Butler, Ray.</i>	<i>Broughan, Thomas P.</i>
<i>Byrne, Catherine.</i>	<i>Browne, John.</i>
<i>Byrne, Eric.</i>	<i>Calleary, Dara.</i>
<i>Carey, Joe.</i>	<i>Collins, Joan.</i>
<i>Conaghan, Michael.</i>	<i>Collins, Niall.</i>
<i>Connaughton, Paul J.</i>	<i>Colreavy, Michael.</i>
<i>Conway, Ciara.</i>	<i>Coppinger, Ruth.</i>
<i>Coonan, Noel.</i>	<i>Cowen, Barry.</i>
<i>Creed, Michael.</i>	<i>Creighton, Lucinda.</i>
<i>Deasy, John.</i>	<i>Crowe, Seán.</i>
<i>Deering, Pat.</i>	<i>Donnelly, Stephen S.</i>
<i>Dowds, Robert.</i>	<i>Dooley, Timmy.</i>
<i>Durkan, Bernard J.</i>	<i>Ellis, Dessie.</i>
<i>Farrell, Alan.</i>	<i>Ferris, Martin.</i>
<i>Feighan, Frank.</i>	<i>Fitzmaurice, Michael.</i>
<i>Ferris, Anne.</i>	<i>Flanagan, Terence.</i>
<i>Fitzgerald, Frances.</i>	<i>Fleming, Tom.</i>
<i>Fitzpatrick, Peter.</i>	<i>Grealish, Noel.</i>
<i>Gilmore, Eamon.</i>	<i>Halligan, John.</i>

<i>Griffin, Brendan.</i>	<i>Healy, Seamus.</i>
<i>Hannigan, Dominic.</i>	<i>Healy-Rae, Michael.</i>
<i>Harrington, Noel.</i>	<i>Keaveney, Colm.</i>
<i>Harris, Simon.</i>	<i>Kelleher, Billy.</i>
<i>Heydon, Martin.</i>	<i>Kirk, Seamus.</i>
<i>Humphreys, Heather.</i>	<i>Lowry, Michael.</i>
<i>Humphreys, Kevin.</i>	<i>Mac Lochlainn, Pádraig.</i>
<i>Keating, Derek.</i>	<i>McDonald, Mary Lou.</i>
<i>Kehoe, Paul.</i>	<i>McGrath, Finian.</i>
<i>Kyne, Seán.</i>	<i>McGrath, Mattie.</i>
<i>Lyons, John.</i>	<i>McLellan, Sandra.</i>
<i>McFadden, Gabrielle.</i>	<i>Martin, Micheál.</i>
<i>McGinley, Dinny.</i>	<i>Mathews, Peter.</i>
<i>McHugh, Joe.</i>	<i>Murphy, Catherine.</i>
<i>McNamara, Michael.</i>	<i>Murphy, Paul.</i>
<i>Maloney, Eamonn.</i>	<i>Naughten, Denis.</i>
<i>Mitchell O'Connor, Mary.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Mulherin, Michelle.</i>	<i>Ó Fearghail, Seán.</i>
<i>Murphy, Dara.</i>	<i>Ó Snodaigh, Aengus.</i>
<i>Neville, Dan.</i>	<i>O'Brien, Jonathan.</i>
<i>Nolan, Derek.</i>	<i>O'Dea, Willie.</i>
<i>Noonan, Michael.</i>	<i>O'Sullivan, Maureen.</i>
<i>Ó Ríordáin, Aodhán.</i>	<i>Shortall, Róisín.</i>
<i>O'Donovan, Patrick.</i>	<i>Smith, Brendan.</i>
<i>O'Dowd, Fergus.</i>	<i>Stanley, Brian.</i>
<i>O'Reilly, Joe.</i>	<i>Troy, Robert.</i>
<i>Penrose, Willie.</i>	
<i>Perry, John.</i>	
<i>Phelan, Ann.</i>	
<i>Rabbitte, Pat.</i>	
<i>Reilly, James.</i>	
<i>Ryan, Brendan.</i>	
<i>Stagg, Emmet.</i>	
<i>Stanton, David.</i>	
<i>Varadkar, Leo.</i>	
<i>Wall, Jack.</i>	
<i>Walsh, Brian.</i>	
<i>White, Alex.</i>	

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

Question declared carried.

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An Leas-Cheann Comhairle: Is the proposal that the Dáil, on its rising today, shall adjourn until 2 p.m. on Tuesday, 9 June 2015 agreed to?

Deputy Timmy Dooley: It is not agreed. In light of the difficulties we have had in convincing the Government to have an appropriate debate on the Aer Lingus sale and its unwillingness to utilise the committee structure-----

Deputy James Reilly: Fianna Fáil had nobody in the Chamber yesterday evening.

Deputy Timmy Dooley: -----we believe the House should sit next week-----

Deputy James Reilly: Nobody.

Deputy Dara Calleary: Be careful, James.

Deputy Timmy Dooley: -----to continue that debate rather than having it guillotined at the end of today. It is worth noting that since before Easter, a period of 70 days, this House will have only sat for 18 days up to 9 June.

Deputy James Reilly: Hypocrisy.

Deputy Timmy Dooley: That is notwithstanding the commitments this Government made to longer sittings periods and greater numbers of sittings on Fridays.

Deputy Michael Noonan: Fianna Fáil was probably only here for nine of those days.

Deputy Timmy Dooley: The Government is still trying to railroad through this House important decisions that need to be appropriately debated and addressed. We are seeing it again today and we saw it with the Irish Water and so many other Bills that were guillotined and forced through the House without appropriate debate.

Deputy Paul Kehoe: Rubbish.

Deputy Billy Kelleher: Shameful.

Deputy Timmy Dooley: It is on that basis that our party is opposing the notion of taking next week off.

Deputy Robert Dowds: It is absolute nonsense.

Deputy Timmy Dooley: At the same time, the Government is ramming through a decision that will have long-term and profound effects, not just for the workers in the airline but for the island of Ireland.

Deputy Micheál Martin: Hear, hear.

Deputy Bernard J. Durkan: We are sitting 20% more than when the Deputy's party was in government.

The Tánaiste: All I can say is that legislation has been truncated or collapsed on several occasions recently in the House because, in particular, nobody from the Deputy's party was around.

Deputy Micheál Martin: That is not true.

Deputy Niall Collins: It is untrue.

Deputy James Reilly: It had nobody here last night.

The Tánaiste: Yesterday evening-----

Deputy Niall Collins: That is a big fat lie.

The Tánaiste: The list is there on the record-----

Deputy Finian McGrath: The Independents have many Bills ready.

The Tánaiste: -----of the Dáil. For example, I am not aware there were any Fianna Fáil people in the House yesterday evening for significant sections of the debate, not even a lonely spokesperson.

Question put: "That the proposal for the adjournment of the Dáil be agreed to."

<i>The Dáil divided: Tá, 58; Níl, 46.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Bannon, James.</i>	<i>Aylward, Bobby.</i>
<i>Burton, Joan.</i>	<i>Boyd Barrett, Richard.</i>
<i>Butler, Ray.</i>	<i>Broughan, Thomas P.</i>
<i>Byrne, Catherine.</i>	<i>Browne, John.</i>
<i>Byrne, Eric.</i>	<i>Calleary, Dara.</i>
<i>Carey, Joe.</i>	<i>Collins, Niall.</i>
<i>Conaghan, Michael.</i>	<i>Colreavy, Michael.</i>
<i>Connaughton, Paul J.</i>	<i>Coppinger, Ruth.</i>
<i>Conway, Ciara.</i>	<i>Cowen, Barry.</i>
<i>Coonan, Noel.</i>	<i>Creighton, Lucinda.</i>
<i>Creed, Michael.</i>	<i>Crowe, Seán.</i>
<i>Deasy, John.</i>	<i>Donnelly, Stephen S.</i>
<i>Deering, Pat.</i>	<i>Dooley, Timmy.</i>
<i>Donohoe, Paschal.</i>	<i>Ellis, Dessie.</i>
<i>Dowds, Robert.</i>	<i>Ferris, Martin.</i>
<i>Durkan, Bernard J.</i>	<i>Fitzmaurice, Michael.</i>
<i>Farrell, Alan.</i>	<i>Flanagan, Terence.</i>
<i>Feighan, Frank.</i>	<i>Fleming, Tom.</i>
<i>Ferris, Anne.</i>	<i>Grealish, Noel.</i>
<i>Fitzgerald, Frances.</i>	<i>Halligan, John.</i>
<i>Gilmore, Eamon.</i>	<i>Healy, Seamus.</i>
<i>Griffin, Brendan.</i>	<i>Healy-Rae, Michael.</i>
<i>Hannigan, Dominic.</i>	<i>Keaveney, Colm.</i>
<i>Harrington, Noel.</i>	<i>Kelleher, Billy.</i>
<i>Harris, Simon.</i>	<i>Kirk, Seamus.</i>
<i>Heydon, Martin.</i>	<i>Lowry, Michael.</i>
<i>Humphreys, Heather.</i>	<i>Mac Lochlainn, Pádraig.</i>

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<i>Humphreys, Kevin.</i>	<i>McDonald, Mary Lou.</i>
<i>Keating, Derek.</i>	<i>McGrath, Finian.</i>
<i>Kehoe, Paul.</i>	<i>McGrath, Mattie.</i>
<i>Kyne, Seán.</i>	<i>McLellan, Sandra.</i>
<i>Lyons, John.</i>	<i>Martin, Micheál.</i>
<i>McFadden, Gabrielle.</i>	<i>Mathews, Peter.</i>
<i>McGinley, Dinny.</i>	<i>Murphy, Catherine.</i>
<i>McHugh, Joe.</i>	<i>Murphy, Paul.</i>
<i>McNamara, Michael.</i>	<i>Naughten, Denis.</i>
<i>Maloney, Eamonn.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Mitchell O'Connor, Mary.</i>	<i>Ó Fearghail, Seán.</i>
<i>Mulherin, Michelle.</i>	<i>Ó Snodaigh, Aengus.</i>
<i>Murphy, Dara.</i>	<i>O'Brien, Jonathan.</i>
<i>Neville, Dan.</i>	<i>O'Dea, Willie.</i>
<i>Nolan, Derek.</i>	<i>O'Sullivan, Maureen.</i>
<i>Noonan, Michael.</i>	<i>Shortall, Róisín.</i>
<i>Ó Riordáin, Aodhán.</i>	<i>Smith, Brendan.</i>
<i>O'Donovan, Patrick.</i>	<i>Stanley, Brian.</i>
<i>O'Dowd, Fergus.</i>	<i>Troy, Robert.</i>
<i>O'Reilly, Joe.</i>	
<i>Penrose, Willie.</i>	
<i>Perry, John.</i>	
<i>Phelan, Ann.</i>	
<i>Reilly, James.</i>	
<i>Ryan, Brendan.</i>	
<i>Stagg, Emmet.</i>	
<i>Stanton, David.</i>	
<i>Varadkar, Leo.</i>	
<i>Wall, Jack.</i>	
<i>Walsh, Brian.</i>	
<i>White, Alex.</i>	

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

Question declared carried.

Comptroller and Auditor General (Amendment) Bill 2015: First Stage

Deputy Catherine Murphy: I move:

That leave be granted to introduce a Bill entitled an Act to amend the Comptroller and Auditor General (Amendment) Act 1993 in order to make an addition to the First Schedule, to expand the areas under which an examination under section 9 may be conducted, and to

provide for related matters.

The Comptroller and Auditor General (Amendment) Bill 2015 seeks to extend the functions and powers of the Comptroller and Auditor General to cover IBRC. It was the Taoiseach who first suggested that the Comptroller and Auditor General review the Siteserv sale process at which time it was pointed out to him that the IBRC does not come within the Comptroller and Auditor General's remit. With this Bill, I am attempting to address that problem by broadening the remit of the Comptroller and Auditor General. The reason I anticipate the need to involve the Comptroller and Auditor General, if not a full commission of investigation which might well be a better option, is because I believe the Government has got this matter badly wrong. That is not least because most of the key players in the Siteserv saga have links with KPMG and the eventual purchaser and *vice versa*. It is a web of connections and conflicts that requires outside eyes to unravel.

I have no doubt that the special liquidator is more than capable of carrying out such a review, but his direct involvement in the sale process, his relationship with the eventual purchaser of Siteserv and his current actions in the High Court in supporting Mr. Denis O'Brien against RTE place him in a position where there is, at the very least, a perceived if not an actual conflict of interest. The review is not confined to Siteserv, but that is the transaction that prompted a review. I worry about the transactions that have been excluded from the review given that we now know that in the final months before prom night, the relationship between the Department and IBRC had completely broken down. If deals were being done without the knowledge or input of the Minister, we need to know what they were. We are now aware, for example, that the former CEO of IBRC made verbal agreements with Denis O'Brien to allow him to extend the terms of his already expired loans. We also know that the verbal agreement was never escalated to the credit committee for approval. I am led to believe and I would welcome, Minister, clarification of the rates applicable at this time: that the extension also attracted some extremely favourable interest terms. I understand that Mr. O'Brien was enjoying a rate of around 1.25% when IBRC could, and arguably should, have been charging 7.5%. Given that we are talking about outstanding sums of upwards of €500 million, the interest rate applied is not an insignificant issue for the public interest. We also know that Denis O'Brien felt confident enough in his dealings with IBRC that he could write to Kieran Wallace, the special liquidator, to demand that the same favourable terms extended to him by way of a verbal agreement could be continued. We now have Kieran Wallace, who has been appointed by the Government to conduct the IBRC review, joining with IBRC and Denis O'Brien in the High Court to seek to injunct the information I have outlined from coming into the public domain. Surely, that alone represents a conflict.

In documents released to me under freedom of information, the Minister, his officials, the Central Bank and even the troika acknowledge that IBRC - the former Anglo Irish Bank - is no ordinary bank and that there is a significant public interest as the bank was fully nationalised and was in wind-down mode. They all accept that this is the people's money we are dealing with and that there can be no dispute regarding the public interest in this. The same materials obtained under freedom of information detail instances where the Minister can specifically intervene and issue a ministerial order that material matters have a significant public interest. Included in these material matters are instances that are outside the ordinary course of business. I argue that what I have outlined here regarding verbal deals and extensions etc. are outside the normal course of business and ask the Minister to exercise his right to intervene in the current proceedings to defend the public interest.

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I have a motion on the Order Paper signed by the majority of Opposition Members calling for a debate on the proposed review - 45 Members have signed it and more are welcome to. When I tried to raise the matter on the Order of Business, I was silenced and told to take it up with my Whip. I am the Whip of the Technical Group and I did raise it at the weekly Whips' meeting. The Government Chief Whip told me that the Government would not be altering the KPMG review and that it would not provide time to debate this issue. He suggested that we use Private Members' time. This is not just an Opposition issue; it is an issue for the whole House. It is an issue of serious public concern involving public money. If the Minister opposite, Deputy Paschal Donohoe, got his hands on an extra €20 million, he would not have to think too hard about how to spend it. I urge the Government to reconsider this matter and to give the Bill and the motion the time they deserve. It is in the public interest to do so.

An Leas-Cheann Comhairle: Is the Bill opposed?

Minister for Transport, Tourism and Sport (Deputy Paschal Donohoe): No.

Question put and agreed to.

An Leas-Cheann Comhairle: Since this is a Private Members' Bill, Second Stage must, under Standing Orders, be taken in Private Members' time.

Deputy Catherine Murphy: I move: "That the Bill be taken in Private Members' time."

Question put and agreed to.

International Renewable Energy Agency: Motion

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

That the Order of Dáil Éireann of 14th May, 2015 referring the proposal that Dáil Éireann approves the terms of the Statute of the International Renewable Energy Agency (IRENA), done at Bonn, Germany on 26th January, 2009, to the Select sub-Committee on Communications, Energy and Natural Resources, be amended by the deletion of '28th May, 2015' and the substitution therefor of '9th June, 2015'.

Question put and agreed to.

Companies Act Regulations: Motion

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

That Dáil Éireann approves the following Regulations in draft:

Companies Act 2014 (Section 1313) Regulations 2015,

copies of which have been laid in draft form before Dáil Éireann on 8th May, 2015.

Question put and agreed to.

Aer Lingus Share Disposal: Motion (Resumed)

The following motion was moved by the Minister for Transport, Tourism and Sport on Wednesday, 27 May 2015:

That Dáil Éireann, pursuant to section 3(5) of the Aer Lingus Act 2004, approves the general principles of the disposal of shares in Aer Lingus Group Plc by the Minister for Finance in accordance with section 3(2) of the Aer Lingus Act 2004, which were laid before Dáil Éireann on 27th May, 2015.

An Leas-Cheann Comhairle: Deputy Dinny McGinley is in possession agus tá naoi nóiméad aige.

Deputy Dinny McGinley: An bhfuil? Ní raibh a fhios agam go raibh an oiread sin ama agam. Mar a bhí á rá agam roimh an sos, sílim gur margadh é seo atá déanta ag an Rialtas, agus ag an Aire, a rachaidh chun sochair go mór ní hamháin do Aer Lingus ach don tír ina hiomláine. Tá aithne, meas agus urraim againn go léir ar Aer Lingus, an córas eiltle náisiúnta a chothaigh meas an phobail le blianta fada anuas. Tá sé iontach tábhachtach sa chonradh atá déanta go leanfaidh Aer Lingus ar aghaidh faoin ainm céanna agus go mbeidh sé ábalta an caighdeán céanna a chur ar fáil a bhí á chur ar fáil aige ar feadh na mblianta. Is rud an-mhaith ar fad, de réir an méid eolais atá againn, ní hamháin go mbeidh na poist atá ansin ag leanúint ar aghaidh ach go mbeidh breis poist eagraithe - 600 nó 650 post idir seo agus 2020. Ar ndóigh, cuirfimid go léir an-fháilte roimhe sin chomh maith.

Mar a dúirt mé, rachaidh sé seo chun sochair don tír mar go bhfuilimid ag brath ar Aer Lingus chun daoine a thabhairt isteach ó thaobh na heacnamaíochta, an ghnó agus, go speisialta, na turasóireachta de. When this motion came before the House, I considered whether I should speak to it or not, but I decided I should because even in Donegal we have close associations with Aer Lingus. We have Stobart Air, which operates the regional franchise for Aer Lingus as far as Donegal is concerned. I do not know what the situation is in Kerry, but perhaps it is the same there. I acknowledge the decision of the Minister for Transport, Tourism and Sport towards the end of last year to extend the public service obligation, PSO, scheme to Donegal Airport for another three years. It will be a great help to the people of Donegal from a business, industry and commerce point of view. It is an excellent service. It was operated by Flybe but it was taken over by Stobart Air in February. As a regular user, I must compliment it on the service. It provides a good service twice a day from Donegal to Dublin. It saves a person four hours by road and the trip can be managed in about 40 or 45 minutes. It is providing an excellent service and it is so important from the point of view of the economy of Donegal. I admit I am being parochial and regional, but this ought to be acknowledged for the people of Donegal. I see the effect regularly. Every morning people come up to Dublin on the eight o'clock flight. They may have business in Dublin or be going to hospital. They get the flight back at seven o'clock in the evening at a reasonable price. I acknowledge the Minister's decision to approve that scheme for another three years.

There is one little thing I wish to bring to the Minister's attention, and I suppose the best of services do have glitches. This happened on 21 May and I have had a number of e-mails about it. Perhaps the Minister was informed, I think he was. A passenger on the particular flight went to Donegal. It was not possible to land that evening. An attempt was made but they had to come back to Dublin and they arrived about nine or ten o'clock. They were quite a number of passengers, some of whom had been discharged from hospital that evening. They arrived

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in Dublin about nine or ten o'clock and they were told they had two options. They could take a bus or a coach or some such transport by road that would be arranged that evening to bring them back to Donegal. Some of them availed of it and arrived in Donegal about 1 a.m. or 2 a.m. the following morning. Those who were in hospital or had been discharged that day found it difficult. After being discharged from hospital and an operation or some other procedure, it may not be the best thing to tell people to go on a bus to travel for three or four or five hours to west Donegal. I would have thought, as my constituent said, that perhaps, in a case such as that, arrangements should be made to give them overnight accommodation in Dublin adjacent to the airport so that they could avail of the following day's flight, but that was not available. Not alone was it not available, but there was no one there from Stobart Air at that particular time to arrange anything for them, except the staff of Aer Lingus. Perhaps this point could be considered in such cases.

As I say, this deal is an excellent arrangement and it is significant that all the other airports such as Shannon and Cork airports have welcomed this particular agreement with IAG. It will allow Aer Lingus to do what it has been doing for many years and it will provide extra connectivity. A person can leave Donegal, put his or her case on board, and retrieve it in Los Angeles, California, San Francisco or elsewhere without handling it. When the association with IAG is formalised, as I hope it will be, a person will be able to go to probably any part of the world without having to handle baggage and going through different securities and so on.

I acknowledge the work the Minister has put into this deal. He has been very patient. It is to the good of Aer Lingus and its continuation and to the good of the country. I remember the first time I ever flew with Aer Lingus. It was late in my life. I remember coming to Dublin Airport. I was just going to London, but an ordinary flight to London at that time cost me £154. That was in 1982, 1983 or 1984. In present day money, that would probably be near €1,000. Things have changed a lot since then. Efficiencies have been introduced in Aer Lingus and Ryanair is on the scene as well. We should acknowledge what it has done to bring in competition. At that time it was the preserve of the very wealthy to travel to London by aeroplane but it is available to everyone now. It is a good thing and I compliment the Minister on it and thank him for the PSO scheme in Donegal airport. I hope this deal goes through; it is only good for Aer Lingus and this country.

An Ceann Comhairle: I call Deputy Bannon. Deputy Bannon will speak instead of Deputy Durkan. Has Deputy Durkan already spoken?

Deputy Dinny McGinley: Yes.

An Ceann Comhairle: I am sorry. Then we are wrong. I call Deputy Paul Murphy. I did not realise. Deputy Bannon is in the same slot as Deputy Durkan.

Deputy Paul Murphy: Deputy Healy Rae is getting five minutes of my time so I will have ten minutes.

An Ceann Comhairle: I will call Deputy Paul Murphy and then Deputy Healy Rae. Deputy Murphy is getting 15 minutes.

Deputy Paul Murphy: That is perfect. I may not take the full 15 minutes. The first point I wish to make is on the incredible method the Government has chosen to debate this extremely important issue. The so-called democratic revolution is now so covered with dust that no one could possibly see it. This is a most cynical attempt to rush through the full and complete priva-

tisation of Aer Lingus. We had a Government decision on Tuesday night, following stonewalling during Leaders' Questions earlier that day, and the whole thing is to be done and dusted by mid-afternoon today. It is patently a transparent and cynical attempt to get the sale through before the pressure mounts, on the Labour Party Deputies, in particular. One also has to raise the question of its timing and relationship to the successful and marvellous referendum result at the weekend. The Labour Party thinks it has got a boost from it and now has some political capital that it feels able to quickly rush this deal through on the back of it. Seven of the so-called "Aer Lingus Eight" in the Labour Party dissolved when faced with what was just a repetition of the same empty guarantees, the same empty promises and non-existent vetos. This is just an attempt to prevent the pressure from building up on them to vote in line with their promises and what is meant to be their political position, rather than with Fine Gael and the neoliberal position driving to full privatisation.

The guarantees, promises and commitments mean nothing - they are worthless. The Aer Lingus workers and pensioners will not need to be convinced of this, having had multiple examples of the same thing in their own history such as the related case of the Team Aer Lingus workers, whose company was privatised in 1997 and handed over to SR Technics, a profitable business, only to be closed with 1,300 jobs lost in 2013 and moved to Zurich where more profits could be made. There has also been a sell-out of Aer Lingus pensioners, a collection of workers who are used to being sold out. In this case, the Government is not even selling them out for 30 pieces of silver - it is effectively getting nothing. It is entering into a sale at a knock-down price. A company with cash reserves and Heathrow Airiport slots, with a combined value of approximately €1.5 billion, is being sold off for €1.4 billion. The taxpayer will receive slightly more than €300 million of this, which is a drop in the ocean in terms of the Government's finances and all that is being given up, while the executives between them will receive an estimated €30 million. No wonder they are in favour of and advocating the sale.

The embarrassing reality for the Government is exposed by the Nyra report which indicates that the logic of privatisation is a race to the bottom in competition with other companies. It includes a mention of the need for €60 million worth of cuts in order to be competitive. It recommends cutting jobs among pilots and cabin crew by 10% and among catering staff by 25%, brutal cuts, but that is what will follow when IAG assumes ownership. The fact that Aer Lingus is compared to Easyjet and Vueling is an indication of precisely how the logic of the race to the bottom works - it only pushes downwards.

Now that we have the report, if the Government had any shame, it would delay the vote until everybody had sight of it and its implications could be digested. It will not do this because it does not have any shame. We should not be surprised by what is contained in the report. IAG is made up of shareholders such as Blackrock, the world's largest asset management company, and hedge funds such as Lansdowne Partners which are only interested in profit. They are not interested in connectivity, jobs or the conditions of those at work. They are only interested in shareholder value, which means short-term profitability and whatever they need to do to get it. This is not an abstract debate about what might happen if IAG were to take over a major national airline. We only have to look at the example of Iberia where the same thing happened and 4,500 jobs were lost - the equivalent of between 1,000 and 1,200 jobs in Aer Lingus.

The Government, including the Tánaiste during Leaders' Questions, has made a lot of the B share. It has used the word "veto" repeatedly and stated the share will give the State the right to veto the sale of the slots at any future stage. That is on extremely shaky territory and I do not think the B share will be worth the paper on which it is written. There is extensive Euro-

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pean Court of Justice case law dealing with the question of golden shares, including the sale of airlines such as British Airways. In general, the European Court of Justice has ruled against golden shares, stating they threaten the free movement of capital. If it came before the court, it is likely that the same ruling would be made. Government Deputies do not have to believe me about this; they can believe the Deputy Pat Rabbitte of old. To be precise, when dealing with the privatisation of 75% of Aer Lingus under Fianna Fáil in April 2006, he said:

The second deception relates to the pretence that the Minister for Transport is retaining a golden share. The Minister and the Taoiseach know the European Court of Justice rejected as illegal the ownership of a minority golden share which would protect strategic interests. In the case of the UK Government's golden share in the airport operator, BAA, it was ruled illegal under EU law in May 2003. The golden share had special voting rights attached to it and sought to give Ministers the final say in major decisions such as selling the airport. The European Court of Justice ruled on this matter that it is illegal to use the golden share for protection of strategic interests. The Taoiseach is so confident about the decision made, but it is a surprise to most people that the Progressive Democrats has pushed Fianna Fáil so far to the right that it would be unthinkable even a decade ago that Fianna Fáil would have sold off the national airline in a country that has the strategic requirements of an island nation.

That is damning. It is damning of the argument of the Government about the B share and means that the Labour Party knows full well that it is entirely worthless and there is not the veto about which they speak. It also knows that even if the European Court of Justice were to state formally that we could use the argument to say Aer Lingus has to hold onto it for the protection of a strategic interest, there is nothing a future Government could do to prevent the slots from being leased to a subsidiary of IAG. It is also damning in terms of the Labour Party. It would have been unthinkable, even a decade ago when Deputy Pat Rabbitte was speaking, that the Labour Party would have completed the sell-off of the national airline in a country that had the strategic requirements of an island nation. Unfortunately, it would not have been so unthinkable because the road the Labour Party had travelled to the right towards the embrace of neoliberalism was quite clear at that stage.

The essential excuse of the Labour Party is that 75% is gone and 25% is somewhat worthless and we may as well go the whole way. It is the same logic used by somebody who beats someone to within a few inches of his or her life and then justifies killing him or her because he or she was nearly dead. It does not hold any water to say that, because Fianna Fáil got rid of 75% of the airline, we have no choice but to get rid of the rest of it.

The Labour Party seems determined not just to dig its own grave but also to climb into it by going along with this right-wing agenda of privatisation while dressing it up, as the Tánaiste did, as being somehow to do with the interests of consumers. It is the same right-wing Thatcherite logic that says only private business can provide for consumers, whereas state ownership is always inefficient. Those trade unions which still fund the Labour Party with their members' money in order to put the boot into their own members' interests should draw the conclusions of this. They should read the writing on the wall and follow through on the the words of Mr. Jack O'Connor of SIPTU by withdrawing funding from and support for a Labour Party which is determined to act against the interests of working people and the tradition on which it was built.

What is the alternative? The argument put forward is that there are two options. We can retain 25%, which is worth something but is not a decisive stake in the company as Aer Lingus is now run as a private company on a for-profit basis, or we can get rid of the 25% and have the

company consolidated into IAG. There is, however, a third option which was well expressed by Mr. Paul Sweeney of TASC, the financial adviser of the trade union group within Aer Lingus. If, in 2006, the Labour Party was opposed to the sell-off of 75% and the loss of a majority stake, it should reverse the process and strive to at least have an ownership figure of 50.1% by buying up the Ryanair shares, ultimately leading us back to full public ownership of Aer Lingus.

2 o'clock

That is the real choice. The first choice involves Aer Lingus becoming a minor subsidiary of a huge multinational corporation driven by short-term shareholder value, that is, short-term profits, and the State losing out in terms of jobs, connectivity and the strategic interests of the Irish economy as a whole. The other choice is public ownership. With public ownership, one can bring the workers to the fore in decision-making in the company, in addition to the interests of the passengers on Aer Lingus flights. Most important, one could bring the strategic, long-term interests of the economy and society as a whole to the fore. Otherwise, it is just a game of short-term profit-making. The shareholders of IAG have no interest in or concern for the long-term strategic interests of Ireland in terms of investment and everything else. The only way to guarantee these is to return to full public and democratic ownership of Aer Lingus.

Deputy Michael Healy-Rae: I thank Deputy Murphy and the Technical Group for allowing me some of their time to speak on this important matter. The Government has handled this issue very badly. I am totally against the sale of this State asset. The Government had an opportunity today to act by accepting Deputy Dooley's proposal to defer the vote on this matter. The deal is being rushed. It is too serious to begin talking about it on Tuesday and rush a vote on it this evening before the House rises. It is a mistake. It is a serious matter that could have very long-term implications for Ireland, the workers and the future of travel to and from the country. To ask Deputies to discuss and vote on the issue within a couple of days without being in possession of all the facts on what exactly is on the table is wrong. As with other Deputies, I believe this has more to do with the Labour Party and the way the Government is holding together than anything else. The Minister is not doing the country a good service by rushing the vote on the sale of this very valuable State asset.

Let me return to a point already made by Deputy Paul Murphy on what exactly is being got for the sale. In the future, people will look back and ask what was wrong with the current Government to make it sell its share in the airline for the sum of money in question. I believe this question will be asked in the future, if not now.

With regard to the way in which the deal will affect the workers in the future, reports suggest that maintenance will be outsourced outside this country. How much money will we lose if such actions are to take place? We are trying at all times to keep work in this country for the people who are born and bred here. We want to keep our own people working ahead of anybody else and do not see anything wrong with saying that. The sale of this asset will not help in this regard.

I am worried about the implications for jobs, business and tourism. Aer Lingus served us well over the years. It is our flagship carrier and we are all so proud of it. In 1979, for instance, the Pope was brought to Ireland on an Aer Lingus flight. The Irish soccer team was brought home by Aer Lingus. We were all proud on those occasions. To lose the State's stake in our national airline is wrong.

Everybody will have suggestions about what should be done with the small amount of money to be derived from the sale. If the Government is to get its way and rush through this sale, the money should be used to build, as a matter of urgency, our new children's hospital in the interest of looking after sick young children. If the Government wants to put money to good purpose, that would be a good one to put some of it towards. People would certainly appreciate that.

Let me refer to our small regional airports, such as Kerry Airport, and to connectivity and the importance of having regional airports. They provide a great service and have affordable flights. I, too, acknowledge the work of Michael O'Leary and Ryanair over many years in reducing the cost of air travel. Mr. O'Leary, his colleagues and those who work for them deserve great credit for building up a great business over the years. That people can fly affordably is in no small way due to Michael O'Leary and Ryanair. This must be acknowledged in the House. We often hear Deputies criticising people who do well for themselves in business but I hold the opposite view. I like to acknowledge the contribution businesspeople make to society, the wealth and work they create, and the service they give. It is not right for politicians to knock continuously some of the bigger players in this country. I do not agree with their doing so. If we had more such bigger players, the country might not be in the state it is in.

Again, I thank the Technical Group for allowing me some of its time.

Deputy Michael Creed: I welcome the opportunity to say a few words on the proposal to sell the State's remaining minority shareholding in Aer Lingus. I listened earlier to Deputy Dooley's contribution. It is interesting to note that not a single member of either of the two main Opposition parties in the House is present for this debate. Deputy Dooley made an observation on the strength of the Aer Lingus balance sheet and the company's current economic status. He said the company was in a position to weather any potential storm. This was an unusual statement because the industry, by its nature, is subject to economic cycles. It may well be on an upward trajectory at present but we do not need to cast our minds back too far to recall the consequences for the aviation industry globally of the economic crash in 2008 or the crash of 11 September 2001. Just because we are currently in growth mode and fuel prices are relatively low does not mean the trend is likely to last forever.

We need to be conscious of the fact that the global trend in the aviation industry is for mergers or closer co-operation between various stand-alone brands. In a way, that is what the IAG offer is about. It allows for the ability of Aer Lingus to continue with its own management, operations and clearly well-established management team. I have had the privilege of meeting some members of that team in recent days and I was quite impressed by them.

To quote S. H. Payer, "the moment of absolute certainty never arrives" with regard to making a decision of this nature. However, on the balance of probability, this is probably the right decision and the right time to make it. Strange bedfellows are thrown up by this debate. For example, Independent Newspapers is facilitating Deputy Clare Daly with an op-ed in today's *Irish Independent*. The question that really needs to be asked of Deputy Daly and others who oppose this deal is whether they can be certain that over the next seven years, the connectivity secured under the present arrangement can be guaranteed by Aer Lingus on a stand-alone basis. Can they be certain that the disposal of the slots, in respect of which the agreement has legally binding guarantees, could never be contemplated by Aer Lingus as it stands? Given the fact that the shareholder register of Aer Lingus will inevitably change because of the court decision in the UK that Ryanair must divest itself of at least 25% of its 30% shareholding, can Deputy Daly and others be sure that in the event of that shareholding being made available to the mar-

ket, it would not be acquired by somebody who would not be as favourably disposed towards the issues that were clearly raised in the context of the original IAG offer in so far as we have secured arrangements around that?

People say this is rushed. When this came out of the blue last December, critical issues such as connectivity, regional development, job security and the slots were raised. Almost six months later, substantial progress has been made in respect of those issues. If the Government was trying to sell the minority shareholding in Aer Lingus against the wishes of its management and board; the chambers of commerce in Limerick, Shannon, Cork and Dublin; and very significant economic commentators, we would rightly stand back and ask whether we were doing the right thing. However, when all these people are on board, we must question whether the opposition to this deal is naked political opportunism, primarily from a party that originally sold the 75% shareholding in Aer Lingus.

I think that on balance, it is the right thing to sell the shareholding and it is the right time to do it. Insofar as we can be sure of anything, we have secured guarantees about connectivity, the slots and job security. The motives of those who oppose this deal for what appears to be nothing more than naked political opportunism dressed up as concern for the national interest or employees who have given great service to the national carrier will be seen for what they are. I commend the Minister for the patience and diligence with which he went about dealing with a particularly difficult issue.

Deputy Martin Heydon: I am happy to have the opportunity to speak on this very important topic for the country. It is worth restating that the State only owns 25% of Aer Lingus. This leaves us with a minority shareholding with little control over the activities of the company. The 25% shareholding is the only thing we are selling. To put that 25% shareholding in context, much of the debate has been about the Heathrow slots. Our 25% shareholding alone does not control those slots. We would need to persuade another 5% of the ownership to support us in any attempt to protect the Heathrow slots. We are not making a decision on the entire airline. That decision was made by Fianna Fáil when it sold 75% in 2006 and privatised Aer Lingus.

It is also accepted by most commentators that the existing ownership structures of Aer Lingus are not sustainable or practical in the long term so changes are inevitable. Ryanair must sell 25 % of its 30% stake due to a recent court ruling. Etihad has signalled its intention to sell its 5% stake. This shows that the ownership structure was going to change anyway. It is much better that this be done on our terms where we can leverage the best possible deal rather than a potential hostile takeover occurring or a deal being done at a time when the aviation industry is in a worse position and Aer Lingus might not be in as strong a position as it is at present. I am cognisant of the fact that the aviation sector is very cyclical. Given these circumstances, the Minister and the Government sought to achieve the best deal they could in agreeing to sell a 25% minority stake in an international airline. I believe they have done a good job and I commend the Minister for his work since the initial bid came in.

Aer Lingus management and staff have done a great job in recent years in turning the company around and making it successful. This has made it an attractive investment proposition for an international group like IAG. The aviation industry is notoriously volatile, cyclical and ever-evolving and this opportunity may not be available to the company in the future. All it takes is another ash cloud, oil price fluctuation or terrorist threat to turn the cycle. The progress that has been made from the initial bid should be noted when we look at the benefits of the deal. It includes real guarantees and will bring huge benefits to Ireland in terms of jobs and connec-

tivity. There is potential for growth and development at Dublin, Cork and Shannon. The deal will see new routes added which benefit all citizens and regions.

Stephen Kavanagh has confirmed that Aer Lingus with IAG want to grow direct employment. A total of 150 net new jobs will be created by 2016 and 635 jobs will be created by 2020. IAG also expects that new indirect jobs are likely to be created in the airport and airline support activities as well in the tourism sector. Aer Lingus staff are synonymous with the company and its exemplary image. Anybody who has been aware for a while knows that it is lovely to get on that Aer Lingus flight on the way back home and see the friendly smile and familiar accent. Therefore, I am particularly pleased that IAG has confirmed that the existing employment rights of Aer Lingus employees will be safeguarded fully and that there will be no compulsory redundancies.

The Government has secured a number of legally binding connectivity commitments in the offer. The commitment that the Heathrow slots will continue to be held by Aer Lingus indefinitely and the commitment to retain current schedule frequencies between Heathrow and Dublin, Cork and Shannon for seven years post-acquisition is very positive. It will allow the airports the certainty to build on them. Those commitments do not exist at the moment so we have seven years during which commitments that do not exist at the moment will apply.

We must look at the possibilities and not just the negative elements. We could see a situation with investment and development, Dublin could become a hub in itself. We spend all the time talking about the slots at Heathrow and how Heathrow is such a key hub but we have pre-clearance in Dublin and Shannon for access to the US. This leaves us in a very strong position to grow our transatlantic trade. I do not see why Dublin Airport and even our regional airports cannot look to be hubs themselves, rival Heathrow in some ways and grow our tourism and business interests.

Other commitments that have been secured also improve on our current situation. Securing the Aer Lingus name and head office in Ireland is very important. The creation of the new "B" share will give control over these commitments and subject to the approval of Aer Lingus shareholders, they will be enshrined in the articles of association of the company. IAG believes that together with Aer Lingus, it could deliver 2.4 million more passengers, four additional destinations in North America and eight additional aircraft for its fleet. These new transatlantic services could be added by summer 2016. This will have a really direct impact on the country.

Ultimately, many of the speeches in this House referred to an Aer Lingus that no longer exists, an Aer Lingus that was in full State ownership. This is no longer the case. I have heard speeches that praised Ryanair and Michael O'Leary for what he has done. I would ask those who are opposed to this deal whether they believe the growth of Ryanair and the activities of Michael O'Leary would have been possible under State ownership or with State intervention - something that possibly stifled Aer Lingus in the past. Considering all the factors before us, including the potential for growth that the current ownership structure does not provide, this deal is in the best interests of the country and I commend the Minister for his work on it to date.

Deputy Kieran O'Donnell: I am glad to be able to contribute to this debate. I commend the Minister for all the hard work he has done in this area. I will speak as a Deputy who represents Limerick city and the mid-west and in that context, Shannon Airport. Shannon Airport has been a vital driver of economic growth in the region for a long period of time. To put it in context, a person could fly from Shannon to Heathrow with Aer Lingus for the past 50 years.

This new improved offer from IAG brings about certainty for Shannon Airport, the mid-west and Limerick in two main areas. For the first time, we are getting a guarantee that the Heathrow slots and, more particularly, the daily flights from Shannon to Heathrow will be kept and will not be diminished over the next seven years. This is to be welcomed. There is a commitment from IAG in this improved bid that it will look to maintain and grow the transatlantic routes that currently operate out of Shannon, namely, those to Boston and New York. I very much welcome this. In respect of Aer Lingus workers based on Shannon, I recognise that Aer Lingus has stated today that there will be no compulsory redundancies and I welcome this. We should be looking to grow the numbers at Shannon and other airports. Before I speak specifically about Shannon Airport, I would like to welcome the fact that the Aer Lingus brand is being retained because it is synonymous with Ireland. The airline flies the shamrock which is a hugely important ambassador for the country all over the world.

In terms of the impact of this offer for Shannon Airport, it brings certainty on the Heathrow and transatlantic routes, both of which are extremely important to the airport. Connectivity through Heathrow and the year-round direct connectivity to Boston and New York are hugely important because we have a very large multinational base in the mid-west and along the western seaboard. One of the key reasons for that is the connectivity at Shannon Airport, as various employers have testified, including Regeneron in Limerick. Representatives of that company are on record as saying that one of the key reasons the company located in Limerick was the direct connectivity on the north Atlantic routes. Viagogo, a relatively new company which set up in Castletroy, has stated that it chose Castletroy because of the connectivity to Heathrow at Shannon Airport. When we boil it down to economics, the connectivity in the mid-west through Shannon Airport equals jobs.

One of the key successes of this Government in recent times has been its decision to make Shannon Airport independent. The airport has thrived across a range of areas since gaining independence. In the last year alone we have seen 17% growth in passenger numbers. Anyone who drives by Shannon Airport will be heartened to see that the car parks are full and that the nearby hotels are doing well, which are very positive signs. When IAG first announced its bid, I was eager to ensure that nothing was done that would undermine the success, to date, of Shannon Airport. The Heathrow slots were a key issue and we now have a seven year guarantee in that regard, which I very much welcome. That will encourage businesses to locate in the region and enable those already based there to know that direct connectivity is guaranteed with the flights that are currently in place for the next seven years at least and, no doubt, long beyond that.

Shannon Airport has significant capacity, with one of the longest runways in Europe. It has enormous capacity to grow further and a key element of that is the transatlantic routes. Apart from Aer Lingus there are other airlines operating transatlantic flights into and out of Shannon Airport although Aer Lingus is very much the flag carrier in that regard. We have seen the return of year-round schedules recently which shows how successful the airport has been. Those looking at Shannon Airport from the outside often miss the fact that it is boxing way above its weight. The airport is a key ingredient for economic development and tourism in the region. It brings tourists into the region all year round, but particularly in the summer period. It also brings key business executives to businesses based all along the western seaboard, from Sligo all the way down to Kerry. We are continually talking about balanced regional development and having an international airport functioning along the western seaboard ensures that we have a strong counterpoint to the eastern region and Dublin in particular. I am not taking from the

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great work that is happening in Dublin but we must have balanced regional development and Shannon Airport is key in that regard.

As with everything, we must look at the positives. In the context of this deal, the positives include the seven year guarantee on the Heathrow slots and the promised growth in transatlantic traffic and I take the word of IAG on the latter. The Shannon Airport Authority has a new board and new management in place who are doing a fantastic job and they are very supportive of this deal. Their track record speaks for itself. As a public representative based in the mid-west, I would like to see the details of IAG's growth targets and plans for the transatlantic routes out of Shannon Airport. I have no doubt that the Minister will be speaking to Willie Walsh at some stage in the near future and I would urge him to pass on the message that he should not be afraid to send passengers into Shannon Airport for onward transatlantic travel. The airport has the capacity, structures and staff in place to deal with additional passengers and it operates very efficiently. Anyone who has used Shannon Airport will testify that it is very easy to get around it and that parking there is relatively easy. The airport now has full pre-clearance for the United States which is hugely significant. IAG is using the pre-clearance facility for British Airways executive flights, which is very welcome.

Shannon Airport is hugely important to the surrounding region. Many of the staff who work at the airport live in Limerick city. The airport is an integral part of the economic fabric of the mid-west. The fact that it has become independent and has been successful is testament to the policy focus of this Government which is based on enabling regions to develop for themselves. The mid-west, western seaboard and Limerick bring an international dimension to economic development. Companies from all over North America are based in the region, as are many European companies which use the Heathrow routes at Shannon Airport. There is also enormous connectivity to the Asian markets in the mid-west region.

I welcome this measure and am fully supportive of it. It brings certainty to Shannon Airport with regard to the Heathrow slots for seven years, as well as assurances with regard to growth in transatlantic routes. I look forward to seeing IAG's plans in that regard; it has made a public commitment to grow transatlantic traffic. I also welcome its strategic alliance with American Airlines. I would like to see the details of the company's plan, including the period of time involved and the number of passengers it hopes to put through Shannon Airport. I am confident that we will continue to see success at Shannon Airport and in the region more generally and that a rising tide will lift all boats. I cannot overstate the importance of Shannon Airport to Limerick and the entire mid-west region. I welcome this measure and look forward to seeing how IAG and Aer Lingus will improve the potential of Shannon Airport.

Deputy Noel Grealish: I am delighted to have the opportunity to speak on this motion. This issue is very important and we must have a proper debate on all aspects of the sale of the State's share in Aer Lingus. Aer Lingus is our national airline and most Irish people had their first flight on an Aer Lingus plane. I had mine in the 1980s when I flew to the United States of America on one of the old 747s out of Shannon Airport. We all remember the advertising slogan, "Look up, it's Aer Lingus" and everyone would like that to continue. I wish to compliment the staff who have worked for Aer Lingus over the years. They have always been friendly and proud to work for our national carrier. The Aer Lingus emblem was the first thing that many people saw when they came to our country many years ago because it was the only airline that flew in and out of Ireland.

I do not know why we have to railroad this decision through and vote on it today. We need

a fuller debate on the sale of the airline. There has been no committee debate on this issue. The prospect of a sale has been in the public domain since December, when Willie Walsh made his initial offer but Willie Walsh will not always be with IAG. What will happen in seven years' time if there is a new chief executive at IAG? Will the guarantees with regard to Aer Lingus still stand?

Stobart Air operates under the Aer Lingus Regional brand. It started off in Galway as a small airline servicing the Aran Islands. Pádraig Ó Céidigh took it over and built it up as Aer Arann with flights between Ireland and the United Kingdom. More than 400 people work in Stobart Air and this is proposed to increase to possibly 500 people. What commitment has been given to them? What job security do those who work in Aer Lingus Regional and Stobart Air have? Did the Minister have any discussions with Stobart Air on the implications of this sale on Aer Lingus Regional? Stobart Air relies 100% technically on Aer Lingus. It provides a great service regionally between Ireland and Britain. When Mr. Noel Dempsey was Minister for Transport, I worked with him to get Aer Lingus to work with Aer Arann because it did not make economic sense to have a big jet taking off in Dublin and landing in Manchester or Liverpool. It was better to use turboprop aircraft.

Has the Minister had any discussions with Stobart Air? Has any commitment been given to Aer Lingus Regional over the 400 jobs? What is to prevent Mr. Willie Walsh in two or three years time downsizing Aer Lingus to provide a regional service? He can do that because with the jobs commitment he has given to Aer Lingus he has to keep people employed there. In his reply I would like the Minister to outline to the House the guarantees that have been given to the employees of Aer Lingus Regional. Can the same guarantees that have been given to Aer Lingus staff be given to the staff of Aer Lingus Regional? Those 400 employees of a small regional airline are very concerned about what is happening. No one has mentioned this in the past two days of debate in the House. I raise the matter because the airline started in my constituency. Before the debate finishes, I would like a commitment from the Minister that there will be job security for the staff at Stobart Air.

I will be voting against the motion this evening simply because we are not having a proper debate on it. It is a huge issue to sell our national carrier. We are an island nation. Aer Lingus has done exceptionally well over the years, through recessions and wars. It has provided a great service and it is an airline that will survive. The IAG takeover comes down to one issue, which is to get at the Heathrow slots for the long-haul flights to Australia and Asia. That is the motive behind it.

In his reply I ask the Minister to give some sort of comfort to the 400 staff in Aer Lingus Regional, the vast majority of whom are based in Ireland. It flies out of Shannon and Dublin airports. It is important to give a commitment to the employees of Stobart Air and give them the same guarantees that have been given to Aer Lingus employees.

Deputy Lucinda Creighton: I do not agree with much of what Deputy Noel Grealish has said, but I am in complete agreement about the contempt that has been shown to the House in how this matter has been handled over the past couple of days. It is unfortunate that there is no opportunity to engage in a proper and full question and answer session with the Minister. The matter should go to the Joint Committee on Transport and Communications.

I never enjoy the nonsense that goes on here about Dáil sitting days and whether we should sit. However, I find it hard to understand why we are not sitting next week. I do not believe it

would cause anybody too much concern if we were to sit in order that this matter could receive proper and full attention by the Joint Committee on Transport and Communications if only to provide comfort and answer some of the questions that have been legitimately raised by a number of Deputies. This is yet another example of how the Government is deliberately down-playing and reducing the impact and relevance of this House, the elected Chamber of Deputies, which is unfortunate particularly given that the Government has such a large majority.

Having said that, I wholeheartedly favour the sale of the Government's 25% stake in Aer Lingus. I do not believe nostalgia is a substitute for good business decisions. In recent months I have heard a considerable amount of misty-eyed tales about flying transatlantic, the green uniforms and so on. We live in a globalised economy and we live in the real world. Aer Lingus is not the largest carrier in this island, that fall to Ryanair. Ryanair has a business model that thrives on competition and on offering choice to consumers. Ryanair has singlehandedly transformed the opportunities for Irish customers. It has made air transport accessible to people who otherwise would not be able to afford it. It has opened up the world to Irish citizens. It means that the many tens of thousands of Irish emigrants who live in other parts of Europe and the world are able to afford to travel to come home to see their families and their families are able to travel to see them. Competition is to be welcomed and we do not have anything to fear.

We must remember that we are not discussing the privatisation of Aer Lingus. That happened in 2006 when it was floated on the stock market. The Government's 25% shareholding is quite meaningless and the days of Ministers dictating commercial policy to the board of Aer Lingus are rightly over. It is not the business of the Government to dictate to an airline company.

As a nation we need to prioritise securing the future of Aer Lingus and the future of air travel for our citizens. In the debate so far there has been an absence of concern for Irish air travel customers. The focus of the debate, certainly from the Government benches has been far more about protecting the electoral concerns of certain, primarily Labour Party, Deputies, rather than discussing the best interest of the State and its citizens. That is unfortunate. Aer Lingus should not be the plaything of parties that are concerned about their potential performance or otherwise in the next general election. It is misguided and misses the point of what this is all about. Certain Government Deputies have not showered themselves in glory in recent weeks and months.

This represents a reality check for us. We live in a global economy in which cumbersome state companies that do not evolve and are resistant to change fail because there is always a more nimble, efficient and dynamic alternative ready to replace them. We have already seen that with Ryanair. The risk is that if Aer Lingus refuses or is not allowed to evolve, adapt, compete and modernise in order to secure its future, it will be under severe threat in the future.

Concerns that IAG has some kind of mischievous goal to somehow reduce or downgrade Aer Lingus are nonsensical. It wants to purchase Aer Lingus because it is a viable company that has huge potential to grow and with the right investment it can grow. However, it needs that investment and that is where IAG comes in. Given that IAG is a major player, it can invest in aircraft and open up new routes. That is good for Ireland. It is good for Aer Lingus. It is good for Irish consumers. It is good for Irish air traffic customers. It is good for everybody concerned. It is good for the people who work in Aer Lingus and for the people who want to work in Aer Lingus in the future. It makes sense. IAG has the resources to invest in stock and aircraft to which Aer Lingus otherwise would not have access. Companies that cannot invest and renew die. IAG has access to strategic alliances with other airlines across the world, some-

thing Aer Lingus has not had. As a customer of Aer Lingus, I find it frustrating that it does not have partnerships and alliances with airlines in other parts of the world. Alliances open up new opportunities, opportunities that should be embraced rather than resisted or rejected.

The only question that we, as parliamentarians, should be asking is: what is best for Ireland? What is best for Aer Lingus, as a company, to help it to innovate and grow and be dynamic in order that it can secure its future? What is best for Irish customers? The many people who lined up in the past to resist Ryanair and reduce its influence because they believed it would threaten Aer Lingus and so on have been proved wrong. Ryanair is the best thing that has happened to Irish aviation. We need to learn from the lessons of the past. We need to open our eyes to what is happening in the global economy and the global aviation sector and embrace it. I will be voting in favour of the motion, notwithstanding my genuine annoyance at how the Government has handled the matter.

Deputy Peter Mathews: The document relating to the motion on which we will be voting later this evening contains an outline of principles set out over two pages. To use an appropriate metaphor, Members are alerted to the announcement of the Order of Business by the ringing of a bell, which is similar to what happens at an airport when information on a flight is being announced. The boarding gate for flight IAG 999 is due to close at 4.42 p.m. today, but we have not packed properly.

The Government's minority shareholding - 25%, at a price of €2.50 per share - amounts to €335 million, which is a better price than the price per share obtained in respect of the 75% shareholding sold some years ago. The opportunity should have been taken to have the pensioners who built the company to what it is today exit fairly for their lifetime's work. The Minister should revisit that price and add, at least, a €150 million infusion into the pension fund. Ryanair would support this because of its potential exposure should the pension wound in respect of the deferred pensioners of Aer Lingus be reopened and it knows this. The Government has leverage with the proposed buyers. The saving of €40 million to €60 million per year in costs, as set out in the Nyras report, in the context of a ten year view, represents a figure of between €400 million and €600 million in super-expectation capital for the buyers. That is why, at a minimum, the Government owes it to the people who built the airline and presented it in its present form to do what is right and fair. For the Government which has the largest ever majority in the history of the State to bring this proposal before the House without considering this issue is pretty limp. It is gutless and not right.

The document before us should have been presented on the basis of E&OE, errors and omissions excepted. The shortest sentence in the document is: "The offer price is a cash payment of at least €2.50 per Aer Lingus share", which is shamefully raw and bald. Of course, the buyers would be prepared to pay an extra €150 million which is only 10% above the overall price to all shareholders. As stated yesterday by Deputy Sean Fleming, Aer Lingus is owned by a composite of Irish residents, Ryanair, the pilots' pension fund and the State. As the shareholding amounts to 60%, there is great cohesive negotiating strength, as IAG knows.

There is a propensity among Departments, ministerial offices and Cabinets to go around in circles, talking in hypothetical rather than business terms. The buyers will assuredly digest another €150 million. Did the Minister put forward as an opening requirement that the pension fund be uplifted by not less than €150 million? Had he done so, everything that would have followed would have been meaningful. One cannot move forward from the unresolved legacy issues, that are an open sore to past employees and their families, without tidying up the past.

The potential buyers know this, too.

Those backbenchers who will be required to put on blindfolds and insert their ear plugs when the boarding gate closes at 4.42 p.m. will have missed the opportunity to board with safety on an airline which Deputy Lucinda Creighton fairly described as requiring the resources of a wider network of allegiances and alliances to deliver to the people the air transport service needed into and out of Ireland. Into the future, the aircraft will mostly be landing and staying in Dublin and other places and the staff will be largely Irish. As possession is nine-tenths of the law, we will be able to bring forward whatever regulations and legislation is required to keep it safe. If the Government does not roll up its sleeves, put its shoulders back and, with some steel in its spine, try to right the wrong of the pension raid on past employees and current and deferred pensioners, it will have done a dark day's business. The 166 Members of this House should not allow that to happen. IAG would respect us for it and would pay the price which would be only 10% of the overall price.

Deputy Brendan Ryan: I welcome the opportunity to speak to the motion. When the initial offer from IAG was made in January, it was deemed unacceptable to the Government. Acting with my Labour Party colleagues, I played a key role in ensuring the initial offer which was bad was not accepted. From the very beginning, we have been criticised from all sides, including right-wing media commentators for being parish pump politicians only interested in grandstanding and seat-saving gestures and the far left for not folding the tent of the Government and calling an election on the grounds of State assets. Unfortunately, we do not have the luxury of being able to act in a space without consequences. Once a bid was made for Aer Lingus, we had to respond in the world as it was, not the world those in Sinn Féin or the far left pretended it was. Unlike the ESB and Ervia, Aer Lingus is not a commercial semi-State company. It is a private company with shareholders, of which the State is one. The company has always been subject to a takeover bid. We saw such a bid previously from the low cost airline Ryanair and this bid has come from IAG.

The Opposition would have the public believe a dismissal of any offer, on the grounds that the State's 25% share is not for sale, would have no effect on the company at all. That is simply not true. If we had dismissed the bid on the grounds of well meaning ideology, that in this case the Government's stake in a private company was not for sale, there would have been consequences. The company's value is set by the market's view of how much the company is worth. If a company is not for sale, in essence, its value will plummet. These are not rules created by the Labour Party. Unfortunately, that is the reality in the world in which we all live and no amount of roaring or screaming to the contrary will change it. Therefore, it was not an option to dismiss the offer out of hand. If the company's value had plummeted, the company would have been vulnerable to further cost saving measures.

The leader of Fianna Fáil in the Seanad said Labour Party Deputies, including me, had said, "we would not sell under any circumstances". That was never our position. We never said anything of the sort. Our position was that should a sale take place, certain conditions would have to be met, concerning connectivity, independent valuation, workers' terms and conditions and a plan for the regions. This was included in our motion at our party conference and is a matter of record. The misquoting is another example of what we have gone through in the past four years, in being pulled between the left, the right and populist and enduring criticism of our attempts to do the right thing to get the country back on track and create jobs.

By the end of next year, IAG expects to create approximately 150 net new jobs in Aer Lin-

gus. By 2020 the plan is to have created 635 high quality jobs, including pilots, cabin crew and engineers. This takes into account the approximate 50 job losses as a result of the takeover, none of which will be compulsory. There are up to 487 applications in the pipeline for voluntary severance packages. It is also important to note that all of the airports have come out strongly in favour of the takeover, including Shannon and Cork. The regions are happy with it. Unlike the Opposition, politicians in the regions see potential in the deal to achieve further growth in terms of job creation and tourism, which is welcome. The Opposition is stoking up fear, among the workers in particular, that the deal is a Trojan horse which will serve to bring a great airline into ruin.

The company has committed to entering into registered employment agreements under the framework enshrined in the Industrial Relations Bill 2015, as introduced by the Minister of State, Deputy Gerald Nash, to protect the terms and conditions of Aer Lingus employees. Does any of us have a crystal ball through which we can gaze into the future? No, we do not. We all need to act on the best advice and information we have available at a particular time. As I mentioned, taking the option to reject any offer out of hand would have had a detrimental impact on the company. What would happen if the offer was rejected and followed by a hostile offer down the road? If an offer had not been accepted, it would have offered no surety on the employees' terms of employment, connectivity or a plan for the regions.

It has been said before and is worth restating, Aer Lingus is a private company, having been privatised by Fianna Fáil. The State's share was retained solely to ensure guarantees in respect of connectivity and the Heathrow Airport slots. We have received that guarantee in the making of this offer. The Minister for Finance will have the ability to block any proposed disposal by Aer Lingus of any of its Heathrow Airport slots indefinitely. This provides stronger protection for the State than the current arrangement, under which the State cannot prevent a reallocation, reassignment or cessation of use of the Heathrow Airport slots. The Minister for Finance will also be able to block a proposal by Aer Lingus to change its company name, brand and head office location and place of incorporation from Ireland. This commitment is unlimited in time and provides protection that, again, is not available under the current arrangement.

Instead of using the proceeds of the sale to pay down debt, the Labour Party has ensured the proceeds from the sale will be reinvested, through the strategic investment fund, in transport and other connectivity projects only. Questions have been raised about proceeds from the sale being used for other purposes such as for IASS pensions. The Minister for Public Expenditure and Reform was clear that, legally, funds from the sale could only be used through the strategic investment fund for specific connectivity purposes.

We acknowledge and share an emotional position from which one is reluctant to divest State ownership, but it would be very wounding if funds from divesting the State's share in Aer Lingus were used to write down Fianna Fáil's legacy debt. It is welcome that funds from the sale will be reinvested in much needed infrastructure. This infrastructure is sorely needed, owing to years of Fianna Fáil waste and over six years of budget deficits which have stifled our ability to grow and invest.

In summary, being in government is about making decisions and choices. In its time Fianna Fáil made poor decisions. Sinn Féin makes populist soundbites. Those on the far left never want to make a decision. We chose to go into government in the knowledge that we would be making tough decisions. This is one such decision. If we had accepted the initial offer, it would have been a bad decision for the airline and the country. If we had dismissed it out of

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hand, it would have been a populist gesture. Most populist decisions have consequences and these consequences would have had a negative impact on the company and its workforce. We had to make a decision. Our decision was not to sell to a vulture capital fund, which is what ultimately happened when Fianna Fáil privatised eircom. Neither did we roll out the red carpet to a low cost airline. We have considered an offer from one of the major players in the global airline industry, an industry which is going through a period of consolidation. Was it an easy decision? No, it was not. Are we certain everything will be rosy in the garden in the future? No, we are not. How could we? However, this is a good offer which has the potential to be of major benefit to Aer Lingus, the country, current Aer Lingus workers and the many new workers who will take up the high quality jobs that will come on stream.

I want to refer briefly to the dynamic of the debate in the past couple of days. I arrived quite late at a Labour Party briefing on Tuesday afternoon - it had started at 4.30 p.m. - to discuss what might be agreed at the resumed Cabinet meeting later. I looked at a letter from Mr. Stephen Kavanagh, CEO of Aer Lingus, to the Minister, Deputy Paschal Donohoe, which had been provided as evidence that the REA requirement included in our Labour Party conference motion had been delivered on. I stated immediately that it had not delivered on it and that the letter did not go far enough. It was woolly and not specific enough. It got into the public domain later on Tuesday. Our discussion on the matter continued into the evening.

An important phrase in the press release from me and my seven colleagues late on Tuesday largely went unnoticed, but it indicated that we had unfinished business in regard to REAs. That phrase read: "Between now and the formal completion of the sale, we will continue to work towards ensuring that the REAs deliver the best possible outcome for the workers involved". This was not just padding but a considered inclusion.

Work on that unfinished business resumed the next morning at a further scheduled briefing with the Minister and, importantly, Mr. Kavanagh who was questioned by a number of people about the meaning of the letter and what could be taken from its contents. I told him directly that a revised letter to the Labour Party chairman, Deputy Jack Wall, with more specific commitments around REAs would be required to secure all of the votes on the deal on Thursday. There was agreement that efforts would be made by the Minister of State, Deputy Gerald Nash, and Mr. Kavanagh in the time before the vote to come up with the revised letter requested.

I am happy to say the commitments given in the new letter from Mr. Kavanagh, negotiated and signed off on by the Minister of State last night on behalf of the Labour Party and the Government, address the REA element of the Labour Party conference motion. I understand unions at Aer Lingus recognise the progress made and I am now more comfortable with how I will cast my vote later today. I am quite certain that the improved offer from IAG is due in no small part to a group of back bench Labour Party Deputies working together in a focused way to secure the best possible deal to secure the future of Aer Lingus and its workforce in the interests of the country as a whole and the regions.

I want to read a paragraph from the letter we received from Mr. Kavanagh to the Minister of State which was copied to Deputy Jack Wall.

3 o'clock

In the fourth paragraph he states:

I am also committed to the principle that Aer Lingus would not utilise compulsory re-

dundancy or a movement to non-direct employment in a scenario where the changes and efficiencies that the business requires can be achieved through flexibility and mobility internally delivered by staff and their trade union representatives. We would now envisage engaging with the trade unions in this regard. This engagement would be designed to agree a formal approach to enshrine this principle and the method of its implementation in a collective agreement or agreements. The company is prepared to undertake to register these agreements under the terms of the enabling legislation.

That is a major move forward in terms of providing security of employment for the current workforce and new workers in the future.

Deputy Noel Coonan: I am glad to have the opportunity to state my position on this matter. I welcome the decision made by the Minister and the Government on the disposal of the minority shareholding of 25.1% because it has been made after careful consideration. It is in the best interests of the country, Aer Lingus, Aer Lingus employees and the economy as a whole.

It is interesting to note that no member of the two major Opposition parties and most of the Independents are not present for the debate, despite their protestations, grandstanding and turning this issue into a political football. Their negativity is appalling. This morning the acting leader of Fianna Fáil, Deputy Timmy Dooley, said he had been taken unawares by the unexpected decision announced on Tuesday evening. I found that amazing. In view of what is happening and the publicity this issue has generated in the media and the entire country in recent months, everybody was expecting that it would be brought to a conclusion. I compliment the Minister on bringing it to a conclusion without further delay. A decision was urgently needed because the longer it went on, the more likely it was it would have a negative impact on Aer Lingus and the air industry.

I compliment the Minister on making himself available for discussions. My colleagues in Renua Ireland may not be aware of this, but he was very disposed to meeting us and met us on numerous occasions to clarify and deal with issues raised. Of all Ministers, he briefed us extremely well on it.

I also welcome the decision as a rural Deputy for County Tipperary. One might wonder why we would be bothered about airports, but we are as concerned about connectivity as anybody else. Mr. Tony Ryan who founded Ryanair probably got inspiration from Thomas Davis, the editor of *The Nation* in the 1840s, who described Tipperary as the Premier County. He said this because “where Tipperary leads, Ireland follows.” That is certainly the case in the aviation industry.

Now that the issue of the shareholding is out of the way - Ryanair spent a lot of time concentrating on putting pressure on Aer Lingus - Aer Lingus can get on with managing its core business. In the future some entrepreneur - there may be one in our midst - might set up another airline, now that Aer Lingus has been consolidated as part of a larger group. That larger group will afford an opportunity to provide much greater connectivity to Ireland and fly to many more cities, particularly in the United States and Europe. With pre-clearance facilities at Shannon Airport for travellers to the United States, many people from elsewhere in Europe will be able to fly to Shannon Airports and onwards to the United States where they will not face delays. The agreement which I welcome has tremendous potential.

Deputy Peter Mathews was concerned about the departure time of 3.45 p.m.

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Deputy Peter Mathews: It is 4.45 p.m.

Deputy Noel Coonan: All I can say to the Deputy is that I hope he has his ticket and passport in order-----

Deputy Peter Mathews: The boarding gate will close at 4.45 p.m.

Deputy Noel Coonan: -----and that he will pass through security safely and without undue delay.

Deputy Peter Mathews: On flight IAG 999.

Deputy Noel Coonan: One of the benefits is that the Aer Lingus brand is being retained.

Deputy Peter Mathews: A sum of €150 million will solve it.

Deputy Noel Coonan: IAG intends to increase capacity by 50% for cargo. That will provide a great opportunity for airports such as Shannon which has the required capacity and facilities. This will certainly be of benefit to all of us in the mid-west, particularly in north Tipperary. I always take the view that the glass is half full, which is the case in this instance.

Deputy Peter Mathews: It is overflowing.

Deputy Noel Coonan: Opposition Members have valuable points to make. Change brings uncertainty, concern and, to an extent, fear to many, but the constant negativity from Opposition Members who see nothing positive in this deal is galling. A few years ago when they were in charge, the country was broke. They called in the IMF and we had to be bailed out within days. What would have happened to Aer Lingus at that stage? It would have been liquidated and we would have had no say in the matter, yet crocodile tears are being shed by the Opposition, including by Deputy Peter Mathews who said he was not afforded an opportunity to discuss the matter. I commend the Government on its actions and wish the Minister well.

Deputy Michael Colreavy: Perhaps the reason the Chamber is half empty is other Members share my frustration. How many hours will we spend debating this issue today?

Deputy Peter Mathews: Seven.

Deputy Michael Colreavy: Yet we were told by the penultimate speaker that the deal had been signed off on by the Minister of State, Deputy Gerald Nash, last night. We are, therefore, spending seven hours debating something that was agreed last night when hands were shook - it was deal done. I want to ask the Minister one question before I continue my contribution. Can I or anybody else on these benches say anything that will change the deal struck last night?

Deputy Peter Mathews: To improve it-----

Deputy Michael Colreavy: Can we?

Deputy Peter Mathews: -----or are we wasting our time?

Deputy Michael Colreavy: Perhaps that is the reason the Chamber is empty. Having expressed my frustration I will be a tad cynical and say I am surprised the Government did not launch this as a new initiative to reduce youth emigration. In many ways that would be an ingenious scheme. I am surprised the Government would not have enacted it sooner because

what better way to stop people leaving our country than to sell off our national airline and put the future of connectivity from the island nation at risk? That is what we are doing here. Ireland needs connectivity. It is not just about the road network or the public transport service. Essentially, it is about flights into and out of the country. We are an island.

Unless the Government proposes to use the funds from the sale of its Aer Lingus shares to build a tunnel connecting us to mainland Europe and to the United States, there is no getting away from the fact that we have lost control of our connectivity. In the north west, where I live, the M4 is a good road for most of the way but the last 60 miles of it are poor. That has been an impact in terms of creating jobs in Sligo or Leitrim. I have spoken to the IDA and business people there who say that is for the want of investment in 60 miles of road. That is connectivity, but if we cannot get people into the country in the first place, we can forget about international investment.

The Government touts Ireland as the best small country in which to do business, which is a bold statement, and it requires infrastructure in key areas, such as broadband, electricity and education. A key reason for which people and businesses would choose to locate in Ireland is the fact that it is an easy place to get to and because in 20 to 50 years time it will still be an easy place to get to. I might be wrong, but I would be surprised if the CEOs of multinational companies were to use ferries or transatlantic boats as a means of getting to and from this country. If we are to hope to attract international companies to Ireland, we must be sure they are able to operate in a global market from this island. They must be able to fly in and fly out of the country from multiple destinations. Although we are a relatively small country, due to our location we need that access. Without easy access, we will be unable to attract the full potential of international investment.

For some time, the Government has acted as if this were a done deal, a *fait accompli*. The Government did not decide just last night that the deal was to go ahead. The decision was made quite some time ago. However, it was necessary to have some document it would be able to put before the public and say it justified the deal. It is privatisation and is the same as the sell-off of State assets such as Bord Gáis and, possibly, Dublin Bus in the future. Can we trust the Government when it says it will not privatise Irish Water? Privatisation goes to the core of what the Government has aimed for during recent years. It is interesting to hear the Labour Party Members shouting about the Opposition in order to drown the voices of their consciences. Although they pretend to have fought the privatisation agenda, they have been laid down on the guillotine of privatisation and have abjectly surrendered to the major party, Fine Gael. I commend Deputy McNamara on his integrity on the issue. It took guts. However, while Labour Party Deputies have made grandiose speeches at their party conference about how they will oppose the privatisation agenda, when push comes to shove, they are the ones who are both pushed and shoved.

Deputy Robert Dowds: The Deputy had better read the motion.

Deputy Michael Colreavy: Aer Lingus is to remain under IAG control for seven years, therefore the agreement the Government has reached with IAG is a stay of execution. IAG and Willie Walsh are interested in the Heathrow slots. They are not concerned with the shamrock on the tail wing or the future of Cork, Shannon or Dublin airports. As it becomes more unlikely that a third Heathrow runway will go ahead, the Heathrow slots have become more valuable to a company such as IAG. However, the blame for any future transfer of Aer Lingus, for example from IAG to another company, or the loss of jobs or services by IAG cannot be laid at the feet of IAG. IAG is a private, for profit company, and I have no problem with that. Its allegiance is

to its shareholders and its job is to maximise return on investment for its shareholders.

Is the Government naive enough to believe that any agreement it signs with IAG will be maintained for seven years, let alone beyond that? IAG has a track record that shows its interest is not in providing jobs or supporting the countries from which its airlines operate. When Iberia was privatised, it was a good employer. Within one year, more than 5,000 jobs had been cut. That is more than the entire staff of Aer Lingus. The Government believes it can have a say in Aer Lingus after selling it off. I believe that is patent nonsense. It is like a builder selling me a house but saying it is only on condition that the bathroom tiles remain pink because he likes pink. It is unenforceable and makes no sense.

When Labour Party and Fine Gael backbenchers and Ministers attack people such as me and try to drown out what we are saying, the problem is that I am not the only one with these opinions. I represent a lot of people, and ignoring me and people like me is the same as ignoring the many people who agree with my views. While I would not suggest that the Minister would dismiss me and score cheap political points, some on the benches would, and every time they do so, they do it to many people. A failure to listen to and respect contrary opinion is what got Ireland into the mess in the first place, and people know it.

Deputy Robert Dowds: The Government was dealt a weak hand regarding Aer Lingus, given that we controlled only 25% of it. Given the importance of air transport to Ireland, an island nation, I, along with a number of my Labour Party colleagues, put a motion at the last Labour Party conference asking that the IAG bid for Aer Lingus be rejected by the Government until four issues were addressed. I commend the Minister for Transport, Tourism and Sport, Deputy Donohoe, on the way he has worked with us to address these issues. He took the contents of the motion very seriously.

The first issue was the need for an independent valuation of the assets of Aer Lingus. This has been done, and it has resulted in a considerable increase in the price offer to €2.50 per share. Probably the issue dearest to the hearts of the Deputies concerned was the need for a firm commitment in terms of registered employment agreements. Even in the past day, great progress has been made on it and there are indications that while some members of the trade union movement are not entirely happy, others are and they see the benefits of both this element of the deal and the fact that it will be tied into legislation that will shortly be introduced to the House. The third issue was the guarantees regarding connectivity and the Heathrow slots. The country has scored very highly on this. I find it difficult to believe how successfully we have dealt with the issue. Not only do we have commitments for Cork, Shannon and Dublin for the next seven years, we also have an indefinite veto over the sale of the slots in Heathrow. I am delighted and amazed that we have made that major achievement. The prime reason Fianna Fáil retained 25% of Aer Lingus when it sold 75% of the company was so that it would have some influence over those slots, which are extremely important to the country. The deal goes much further than that, however. I commend all those involved in achieving a successful outcome. We cannot overstate the importance of the achievement.

The fourth part of our motion was a plan to promote Shannon and Cork airports because we were aware that they were in a vulnerable position. Considerable progress has been made in this regard, including the retention of the Cork-Paris and Cork-Amsterdam route and the plan to grow business at Shannon, where business has already grown by 17% in the last year. In light of Ireland's pivotal position for air traffic between Europe and North America and the customs arrangements in Shannon and Dublin, we are well placed to benefit from passenger growth.

Given that the Minister has delivered on the four matters of concern for us, we would be wrong if we did not support this motion. I am delighted that we took a stand on the issue because it helped to focus the Cabinet's attention on getting the best deal possible for Ireland. Deputy Creighton has accused the Government of pandering to Labour Party backbenchers. I make no apology for acting in the best interest of this country and any backbencher or Minister who acts according to that principle should be commended. As long as we have the interest of the country and its people at heart, we are doing our jobs well. This is why I was involved in an attempt to influence Government decisions for the better.

It was previously assumed that the €335 million the Government will receive from the sale its stake in Aer Lingus would be used to reduce our national debt. I welcome that the Minister for Public Expenditure and Reform has reached an agreement with the European Commission to spend the money on infrastructure projects such as roads, rail and broadband. We did not think of that as a bonus when we were preparing our statement. We certainly need considerable investment in infrastructure. This decision is in our national interest because Aer Lingus is a small airline, albeit a successful one, that has to compete against larger companies. By linking with IAG, it will have access to locations across the world, as well as reducing the costs incurred by smaller airlines. The cost per aircraft for a small airline is much greater than is the case for a larger company. It has been estimated that 2 million additional tourists will visit Ireland by 2020. We should be thinking about how we can best accommodate these additional numbers because while they will help to create employment they will also put more pressure on our infrastructure. We have a great deal to offer but areas of the country would benefit from further investment. We should be thinking about the future.

I was surprised that at the eleventh hour I was given a glimpse of the Nyras report. I challenged the CEO of Aer Lingus, Mr. Stephen Kavanagh, about this and his response was that the report largely dealt with reducing costs in destinations outside this country. For example, Aer Lingus considered it was paying too much for baggage handling in Brussels. I am curious as to why the report was only shown to one or two of us at such a late stage.

I recognise that Aer Lingus cannot stand still. We are in a competitive environment and we must be able to succeed. This deal will ensure the future success of the airline industry in Ireland and bring benefits to the country. It amazes me that we have managed to get such a good deal on the Heathrow slots. It is beyond my highest expectations and it is great that the money we will get can be invested in infrastructure projects rather than put towards our debt. I commend the Minister and all who worked on this deal.

Deputy James Bannon: I thank the Minister for Transport, Tourism and Sport for staying in the Chamber throughout the debate on the sale of Aer Lingus. He has listened to every point of view on the matter. A number of Deputies noted the absence of Fianna Fáil Members from the House. After three or four hours of debate, I welcome Deputy Dooley back to the Chamber.

Deputy Timmy Dooley: I knew Deputy Bannon would be making an important contribution that might change the course of history and I wanted to be here for it.

Deputy James Bannon: I recently read the report of the Government steering group on the State's minority shareholding. The IAG offer price is an acceptable one and if the proposed sale goes ahead I believe some of the funds raised should be redistributed to our smaller airports and airfields. An example of a regional airfield with excellent potential is Abbeyshrule airstrip in County Longford, which has been in existence for nearly as long as Aer Lingus.

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Deputy Timmy Dooley: I am glad I came back.

Deputy James Bannon: Recently we had the outstanding news that Center Parcs is planning to establish a new holiday resort in Newcastle Woods, County Longford. Not only will this project provide 1,700 new jobs but it will also offer an opportunity to create a valuable infrastructure development for the midlands by expanding the Abbeyshrule airstrip. At a time when we are trying to attract foreign visitors via the Wild Atlantic Way and the ancient east trail, easy access to the natural amenities of the midlands would make a huge difference to the local economy.

Deputy Timmy Dooley: The share price of IAG has doubled in the last five minutes.

Deputy James Bannon: I have been involved with the drive to expand the capacity of Abbeyshrule airstrip for many years. A feasibility study of the airfield was carried out in recent years, which indicated that an extension to the existing runway could turn the airfield into a commercial hub for the entire region. Like the west, Limerick, Cork and Dublin, we need an airport in the midlands.

Deputy Timmy Dooley: The Deputy needs somewhere to keep flying a kite.

Deputy James Bannon: It has been on the agenda of former taoisigh for years. In one of his party's manifestos, the former Taoiseach, Albert Reynolds, promised to develop Abbeyshrule airfield. The poor man has passed away and may his soul rest in peace. However, very little happened to develop that airfield, even during Mr. Reynolds' years as Minister for Industry and Commerce and later as Taoiseach. The site is approximately 69 acres and can be compared to London City Airport. The airfield is on a similar demographic scale to that English airport and both airports are situated on land that is similar in size.

Within a 30-mile radius of Abbeyshrule there is a population in excess of 300,000. There are currently 20 or 30 people in permanent employment at the facility, which should not be overlooked. Activities take place on the airfield some 364 days per year, with the exception of Christmas Day. One of the main attractions of Abbeyshrule is its location. A regional airport is out of the question but with an extension of just 100 m to the existing runway, which is exactly 1,100 m long, 80 to 90-seater planes could land there. We already have a commercial attraction in the shape of the new Center Parcs development, but we now need proper infrastructure in order to attract even more visitors and industry to the midlands region.

If the sale of Aer Lingus goes ahead, then it is vital to use the finance raised to upgrade our smaller airstrips. Abbeyshrule airstrip is a prime example of a project that would be good for tourism and infrastructure. Most importantly, it would provide value for money.

The potential of this development should not be ignored. As a midlands Deputy, I am pleading with the Minister to examine the possibility of developing that airfield. It would generate employment for the region and would also boost tourism. Its development would provide a value-for-money project for the midlands. It now makes more sense than ever to provide this valuable facility to encourage inward investment to the midlands.

Many fine infrastructural projects are under development in the region. In addition, the River Shannon is a great amenity which attracts tourists from America and Europe, including Germany. Visitors are in love with the midlands, but accessibility is a problem at the moment. Tourists or business people flying into Dublin airport should be able to take a small carrier to

Abbeyshrule, so they would be within easy reach of all those facilities within minutes.

The midlands region is crying out for infrastructural development and has been overlooked on so many occasions for funding. It got a raw deal in the national spatial strategy, which has now been abandoned. The region was also bypassed in Transport 21, which was announced with a huge fanfare of publicity at that time. However, very little of that programme has been implemented. Plans were in place to continue the motorway from Mullingar down to Rooskey and it was ready to roll in 2009 and 2010 with the purchase of lands in the requisite areas, but to date that has not happened.

I hope therefore that some of the funds acquired from the sale of Aer Lingus will go towards the development of important infrastructure in the midlands region, which has been greatly neglected for many years. The time is ripe for such development, so the Minister should take this idea on board. I know he has been listening-----

Deputy Peter Mathews: Selectively.

Deputy James Bannon: -----but we need a little action as we go forward.

An Leas-Cheann Comhairle: The next speaking slot is shared by Deputy Fitzmaurice and Deputy Tom Fleming. I call Deputy Fleming first.

Deputy Tom Fleming: I have grave reservations about how the proposed takeover of Aer Lingus by IAG will look in future. In trying to analyse the consequences for our national and regional airports, we cannot ignore the approach taken by British Airways to its domestic market and what has occurred there in recent years. British Airways has consolidated its transatlantic services into the London airports, especially Heathrow. It has achieved this by feeding all its UK regional passengers through Heathrow, rather than by providing transatlantic services from other large English city airports.

British Airways is ceding this significant transatlantic business to its competitors in favour of a consolidated London-centred approach. In the event of an IAG takeover of Aer Lingus, there is a real possibility that in the short to medium term, IAG will consolidate all Aer Lingus' transatlantic traffic into Dublin with its US customs and border pre-clearance facility or CBP. This scenario will have a detrimental effect on Shannon airport's interests in particular. It will also have a capacity to undermine the viability of the CBP facility.

Even in the event of a full withdrawal of the Aer Lingus transatlantic services over time, Shannon would rely on a number of US carriers continuing to service the airport. It is clear, however, that without a sufficient volume and the critical mass of Aer Lingus' transatlantic services, the viability of a CBP facility would be at significant risk. The US authorities will not provide this facility purely on a seasonal basis. It is clear also that any Irish airport with CBP facilities would have no year-round scheduled transatlantic services. This imminent possibility would clearly work in the interests of Dublin Airport at the expense of the State's other airports.

In the event of a successful IAG takeover of Aer Lingus, Shannon will be more vulnerable to cuts with possibly the total loss of its Heathrow slots over time. This was proven previously by Aer Lingus. Its complete transatlantic service would also be vulnerable as a consequence of the proposed merger of the three State airports at Shannon, Cork and Dublin. Shannon is most at risk and is vulnerable to sustaining the greatest loss through this deal. Cork airport with a large catchment population has a number of things in its favour. In all likelihood, Cork would

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maintain some of its Heathrow connections, as well as enhancing short-haul services.

The ironic aspect of this proposed takeover is that Aer Lingus has had a major revival in trade over the past five years. This occurred at a time of recession not only in Europe but also worldwide. The airline is competitive, viable and one of the fastest growing carriers in Europe. Aer Lingus management has demonstrated that it can operate successfully as a viable and profit-making independent carrier. This follows 80 years of very successful business and its potential in the current global market is spiralling upwards. It would be most unfortunate to see one of our national treasures and State assets being totally sucked into the ownership of a foreign multinational.

Some of the negotiating tactics, ploys and offers look great but the bottom line is there are no job guarantees. There is also an absence of guarantees about the Heathrow slots beyond the seven-year window, which is one of the conditions. Paramount in all of this are the Aer Lingus legacy slots. They are crucial and very valuable to our tourism industry in particular, as well as our export sector and the maintaining and further development of foreign direct investment into this country. It is imperative that any condition of sale would secure those slots for a minimum of 20, 25 or 30 years. That is a vital aspect of any sale.

Due to economic and regional strategic development of our major indigenous industries, such as agriculture and tourism, which are rapid growth areas, there is a surge in technological companies investing in this country. Now, more than ever, we need to be in charge of our destiny. The enhancement of connectivity by aviation transport is crucial in this respect. As an island nation, our airport access and connectivity is a vital component in the revival and restoration of jobs. We do not want a repeat of what happened to Scotland, for example, as a result of IAG's actions. It has no transatlantic route, and the neglect of Scotland by British Airways has resulted in a complete absence of any route into the North American market from any Scottish airport. Aer Lingus has developed nine transatlantic routes that are flourishing, fortunately.

It is a matter of neglect that we have no aviation policy, and although there have been efforts made since early last year, they have not yet progressed. I ask the Minister to resume and renew the process. We will be at a major disadvantage in global aviation terms unless we put in a place a good working policy with rational thinking. Practically all countries at this stage are working from a strategic perspective. That approach is neglected in our case so I ask that the issue be addressed as a matter of urgency.

I mentioned earlier about feeding into our State airports. I mentioned Cork, Shannon and Dublin but we cannot forget Knock as a regional strategic airport as well. We have peripheral airports, such as that in Kerry, and the Minister knows its importance. There are also airports in Donegal and Waterford, and it is imperative that we do not neglect those resources and assets. They are crucial. The Aer Lingus regional service in its current format, with Stobart Air, has looked after the regions. In Kerry, for example, it got the public service obligation contract and I thank the Minister for his co-operation in that matter.

I would be very fearful of what will happen down the road with these crucial strategic airports. We know the road network comes in at Macroom at Cork and Adare in Limerick but we are totally hindered in our development of the tourism industry because of what is happening on that side. I ask the Minister to take up these matters in the near future as they are relevant to his portfolio.

Deputy Michael Fitzmaurice: I am thankful for the opportunity to speak to this issue. I acknowledge the Minister being here and I thank him for that. Some of us are on the transport committee and over the past few months we have seen people from both sides of the argument coming before the committee. One day we would listen to one side and another day we would listen to the other side; at the end, we had to assess the ups and downs, what is good for our nation and what will be beneficial to the country in future.

In my assessment, Dublin may survive and prosper but there is a red flag for Shannon and Cork. I am also wary that Knock does not seem to be mentioned at all. I know there was talk of improving the Cork to Gatwick route with more flights, etc., but for whatever reason, it did not seem to be worthwhile to discuss the airport at Knock when they debated the seven-year provision for Shannon and Cork. There is no figure for Knock whatever. I am surprised by this because in terms of regional development we must ensure that all the airports - Knock, Shannon, Cork or Dublin - be used to bring prosperity in each region. We must think about that into the future.

I intend to look further into a surprising element. If Mr. Walsh in England decides to return to Ireland and wants to buy something, it does not seem to be a problem, although the UK is still in the EU, but when an Irish company was talking about buying Aer Lingus, that was ruled out of order. It is ironic that after the British legal system was involved with the process of shares in another jurisdiction, all these bids were tabled.

The company has approximately €600 million in the bank and I have always said the price is very important. We are not getting a proper price for the laying hen, or an airline that has served this country so well. We must remember that we are an island nation, and we must ensure that we think strategically in holding assets that are good for our country. We must ensure that as an island nation, we will not be left to vultures that may come in and decide to use us for a while before going. The prosperity of our people - not now but in five, ten, 15 or 20 years - is very important.

I have heard all morning and yesterday that the Minister has brought guarantees of seven years for slots from Shannon and Cork. However, what can one do if in two, three or four years, we are told that the company had to do something different? What will happen if the company is sold again or IAG amalgamates with something else? Somebody may buy a business, for example. It is for the person who buys it to run it as he or she sees fit. I do not buy into the argument that we will be able to press on IAG's toe and tell it to do this, that and the other because it said it would. That will not wash.

The first bad news that came yesterday was the loss of the 55 jobs. I accept that there may be more jobs in Dublin down the road, which would be welcome, but we need to understand that this is not all sunshine. There may be clouds on the way also. With a country like ours, we must ensure that we do the right thing now. We have looked at a strategic example like Eircom. Many people and Deputies one talks to today will say they are not sure it was a great idea to sell it given that we have encountered many problems since. When these things were being done, people acknowledged it and said it was for the improvement of the country. As with public transport and other strategic assets like airlines or airports, it may not always pay to have it. If one looks at the overall economic picture of bringing in business and creating employment, however, one finds that one may have to spend €1 to make €1.

We should have assessed this more. Down through the years, the one thing about Aer Lin-

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gus was that it was our airline and national carrier. The shamrock was the symbol of Ireland. There are no guarantees from now on. At one time, one heard on the advertisement, “Look up, it’s Aer Lingus”, but from tomorrow or next week it will be a case of “Look up, it’s Willie Walsh”.

I hope this is not a day we rue. In the likes of Cork Airport, numbers are going down while the airport is strategically very important for that part of the country. Shannon Airport is strategically important for the mid-west. It is sad that in the west we have a fine airport that is like an orphan. The Government seems to have forgotten about it.

Deputy Mattie McGrath: It never wanted it.

Deputy Michael Fitzmaurice: If we look at the bigger picture including tourism potential and the development of the regions, we need to ensure that we give equal treatment to Knock, Shannon and Cork. With the population that is in Dublin, Dublin Airport will always prosper. There is no point in saying it will not. The volume of people is coming through it. If we are to have balanced economic regions and people working and living in other parts of the country, we must ensure that we treat all parts of the country the same. I am very worried for the airports at Cork, Shannon and Knock. While Dublin will survive and may receive extra flights, I worry that those airports will suffer the consequences a few years down the road.

The Government has made its decision. We should have assessed it better. This is a day when something that has been with us for years will fly away. When it flies away, it is gone and we cannot replace it. As a nation, we do not want to be scratching our heads in five or ten years asking why we did that on that day. One will hear different views.

The one thing that has not been talked about is Aer Lingus Regional. There is a contract for the next four to five years, but we do not know what is happening with it at the moment. IAG has its own regional set-up. Aer Lingus Regional has served even the smaller airports around the country very well and given a good service. It has gathered people and brought them to different places where they could embark on larger aircraft. There does not seem to be a word about it. We must remember that there are 700 people involved in Aer Lingus Regional. While some call it Stobart Air, that is what it is running under. That needs to be assessed also. Is this part of the deal and what will happen in three or four years when the Stobart contract is up? It is on contract to Aer Lingus. I hope it does not happen, but will it mean more Irish people losing their jobs?

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I welcome this debate and in particular congratulate my colleague, the Minister for Transport, Tourism and Sport, Deputy Paschal Donohoe, for doing a very competent and good job over the last six months in negotiating a deal for Aer Lingus, Ireland, regional connectivity and the staff of the company that is very much worth supporting. It is important in debating this issue to do so on the basis of the facts. Some Deputies opposite have been talking about Aer Lingus as if we owned it in full. We do not. The decision was made in 2006 to privatise Aer Lingus for good or for ill. What we have today is a 25.1 % stake that gives us a very limited influence over the running of the airline. On key issues like the protection of slots into Heathrow, the only thing we can do is to act in combination with other shareholders to prevent the sale of those slots. As we saw a number of years ago when Aer Lingus decided for commercial reasons to move a slot from Shannon to Belfast, the Government could do nothing about it. As such, we need to get away from this narrative that Ireland is somehow selling a State airline. The decision was made

back in 2006 to privatise an airline that had to survive on its own commercially.

Many airlines that were 100% state-owned across the European Union went bust while Aer Lingus has done a brilliant job as a relatively small airline. The only airlines of similar size in Europe are Finnair and TAP. Aer Lingus has done a great job to reinvent itself and find ways to reduce its cost base while increasing its services. Aer Lingus is vulnerable in the future because its size, however. The trend in the airline industry is that airlines of the size of Aer Lingus must be part of partnerships where large parent companies with connectivity all over Europe and all over the world can add strength to the story the company carries into the future. We must decide how we use the 25.1% we currently hold in Aer Lingus at a moment of maximum leverage to ensure we get the best possible deal for the company and the country into the future. In my view, that moment is now. To hear people talking about this being a rushed deal is odd. This has been six or seven months' of negotiation. Nothing has been rushed. Just because everybody in the House has not been involved in all of the conversations does not mean it is a rushed deal.

Deputy Peter Mathews: It just means it is a secret one.

Deputy Simon Coveney: Anyone who understood the sensitivities of a deal like this would understand that when one has Stock Exchange rules and is looking at off-loading a minority shareholding in a public company, there are certain things one can and cannot say. What has happened here is that the Government has taken an ultra-cautious approach. It rejected the offer initially and has gone back and taken its time to negotiate and use all of the leverage it has in terms of the share it still owns to maximise the benefit of any deal that is on the table for the country. That is what the Minister has done and he has done a great job doing it.

4 o'clock

Let me say what this means for people. It means increased employment. It is a growth story for Aer Lingus, which without this deal would not happen. Without this deal Aer Lingus would be focused on survival in the future and not growth, expansion, investment and improved connectivity. It would not be focused on reconnection with the One World alliance and all the other things that will now be possible, as it links up with an organisation that has 466 aircraft, serves 248 destinations and carries nearly 80 million passengers a year. Aer Lingus is now plugged into that organisation and this will ensure it has a long-term future operating out of Ireland and Irish airports. It has already said that by 2020 it will have created a net 635 new jobs and next year there will be a net increase of 150 jobs.

Key issues surrounding connectivity and protecting Heathrow slots, in particular relating to Shannon and Cork airports, have been raised by many people in this House. Under this deal we will have stronger protection, from the creation of a B share, than what we have at the moment with a minority 25.1% share. The Minister for Transport, Tourism and Sport has negotiated this protection by using imagination and by being determined that the Government would not support this deal unless it had cast iron guarantees on the protection of slot disposal and a seven year guarantee on slot use. These guarantees have been achieved. That is a much more comprehensive protection measure for Heathrow slots than is currently available. That is the fact of the matter, as opposed to the emotion others are seeking to invoke.

This deal has been negotiated tediously over a long period of time to ensure key issues Members of this House have been raising on regional connectivity, in particular, connectivity out of Shannon, Cork and Knock airports, are addressed. Regional connectivity has not only

been protected but has been enhanced from its current position. That is why the Chamber of Commerce in Cork is welcoming the deal. The business association welcomes the deal. For the first time in quite some time, people are talking about Cork Airport with optimism. They are talking about the commitments Aer Lingus is making in what is a growth story, using regional hubs in Europe, such as Paris and Amsterdam, and developing new linkages to Germany, Spain and elsewhere. That is now possible because of the connection with a much larger, internationally connected, IAG group.

The B share is not simply about the slots. The speaker before me also mentioned this. When they look up, people are filled with pride when they see an Irish brand in the air. When coming home from the United States or other parts of Europe, they want to see a shamrock on the wing or the tail of an aircraft. The branding is protected. The Minister for Finance effectively has a veto over any decision to change the branding or name of Aer Lingus or to move its headquarters out of Ireland. We have guarantees on keeping an airline in Ireland, which is branded as an Irish airline. These guarantees will keep the Aer Lingus name strong and growing in the future. At the same time, the airline and its name and brand are plugged into an international group that can make it much stronger. That is the deal and it is a good one.

In terms of its strategic future within IAG, the Minister had to make a decision, and the Government had to confirm it, on whether this was the best potential partner in terms of the growth of Aer Lingus in the future. What other potential offers might be out there? Should we accept this offer or should we wait for someone else to come along? If one looks at the response of the markets and shareholders in Aer Lingus, everyone is comfortable that the fit with IAG is the right fit for Aer Lingus. In terms of the protection and growth of brands and airlines such as BA and Iberia, the same opportunities for growth and expansion are now available to Aer Lingus. This decision will create jobs, increase connectivity out of Shannon and Cork airports and protect and grow potential routes out of Knock Airport, as well as Dublin Airport. It will also result in eight new planes flying under the Aer Lingus banner and will provide certainty around the Heathrow slots.

However, another question needs to be asked. What will happen to the money and the proceeds from the sale? Where will it go? Will it be used strategically on connectivity for Ireland, which is Aer Lingus's primary concern? As a Government, we have decided that the €335 million which will be raised from this sale will be ring-fenced. It will be given to the Irish Strategic Investment Fund to manage. It will be targeted specifically at connectivity projects in airports and ports and broadband connectivity. It will connect Ireland and improve our international connectivity, as an island, which is exactly how this fund should be used. This fund will not be used to pay off national debt or something like that. This has been a strategic share in Aer Lingus, since it was privatised. We are now going to use the proceeds as a strategic fund to improve and protect international connectivity in the future. This is in addition to the other strategic decision which will strengthen and allow Aer Lingus to grow and will provide vital connectivity services, both regionally and out of Dublin, in the future. I strongly welcome and support the decision.

An Leas-Cheann Comhairle: The next speaking slot is shared by Deputies Mary Lou McDonald and Gerry Adams.

Deputy Gerry Adams: Bhí Sinn Féin glan in aghaidh Rialtas Fhianna Fáil nuair a dhíol sé Aer Lingus and we oppose this latest move by Fine Gael and the Labour Party to sell off the State's remaining 25% stake in the company. Ireland is a small island nation and the economy

needs consistent and secure air access, and not just for seven years but in perpetuity. No Government should jeopardise this by throwing away the links that Aer Lingus provides. This State, through its 25% stake in the company, has the potential to be an advocate for sustainable development of Aer Lingus in the interests of its customers, workers and the island as a whole. Like any private multinational conglomerate, IAG will only seek to maximise profit. This Government has once again failed to put Irish strategic interests first. The State will now have no say whatsoever in the future of Aer Lingus. A few short years down the line, it will be clear to every one that we have lost a vital aviation asset forever. We will lose certainty, connectivity and jobs. Beidh deireadh le hAer Lingus.

If sold off, Aer Lingus will become a very small cog in a vast multinational airline enterprise. Commercial considerations rather than national strategic ones will be the deciding factors. The interests of IAG shareholders will always trump the interests of the economy and the Irish travelling public. The Minister knows this and the Government knows this. Ba mhaith leis an chuid is mó de mhuintir na hÉireann gurb in Éirinn a bheidh Aer Lingus. Let us remember that this is a profitable company. Aer Lingus's financial position, after some huge losses following privatisation, is strong. Major growth is planned on long-haul routes. It has been buying new aircraft. Aer Lingus does not need IAG and the Government does not need to sell off this asset.

Of course, senior management at the airline will benefit by millions of euro from any sell-off, but Aer Lingus workers have been given no guarantees on compulsory redundancies or outsourcing. According to the Minister for Transport, Tourism and Sport, Deputy Donohue, and these are his words, not mine, Mr. Kavanagh has indicated that he does not foresee a likelihood of either compulsory redundancies or non-direct employment under IAG ownership. Is that "likelihood" a legally binding guarantee? Níl anseo ach plámás.

Trade unions at Aer Lingus envisage 1,200 job losses as a result of this sell-off. Those job losses would cost taxpayers €8 million just to meet the basic entitlements in terms of jobseeker payments for these workers. Since IAG took over the Iberia airline, it has cut 4,500 jobs.

What of the internal report which the Minister claims he has not read and which the Taoiseach also claims not to have read? It was commissioned by Aer Lingus and recommended slashing costs by cutting 10% of pilots' jobs, 10% of cabin crew jobs and 25% of the catering staff. The Nyras report was presented to the management of Aer Lingus a month ago and represents a major blueprint for job cuts, confirming the worst fears of Aer Lingus workers. The Government, despite its claims to the contrary, has received no guarantees whatsoever about compulsory redundancies or outsourcing and it claims to know nothing about this blueprint for wide-ranging job cuts.

In these circumstances, how on earth can this Dáil be expected to approve the sell-off of the people's stake? In the Government's efforts to ram this through it briefed the media rather than the Dáil. I do not understand why Deputies were not given all the documentation, all the paper work. Leaving aside ideological and other considerations, how does refusing to provide us with those things give us the basis for making an informed decision? There were condescending and patronising remarks from Government spokespersons, telling us we have to understand the difficulties and the complexities involved in all of this. Why not just give us the papers? Are we stupid? Can we not read them ourselves? Can we not form a judgment?

Sinn Féin opposed the initial Fianna Fáil decision to privatise and the Government is simply

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finishing off the bit of business commenced by Fianna Fáil. Fine Gael is an adherent of neoliberal ideology. It believes in dismantling State assets and in privatisation across the board. Look at Irish Water. Watch that space in the time ahead. Fine Gael would sell its granny if that suited the market. But what of the Labour Party? What of the famous motion passed at the Labour Party conference? What about the absence of Labour Party Deputies for this debate? The motion signed by eight Labour Party Deputies called for an independent valuation of Aer Lingus assets in Heathrow slots. It also sought a commitment to prevent the outsourcing of jobs and compulsory redundancies. It called for a plan for Cork and Shannon airports, taking into account their value to their individual regions. No such guarantees have been given. What of the 1,500 deferred Aer Lingus pensioners, sold out by Fianna Fáil in the first instance and now by Fine Gael and the Labour Party? Where are the Labour Deputies who said they would oppose the sell-off, tooth and nail? As Shakespeare once wrote, “Full of sound and fury, signifying nothing”. Tá Fine Gael agus Páirtí an Lucht Oibre ag cur críche leis an obair a thosaigh Fianna Fáil. Mo náire iad.

Those Deputies who sponsored the motion at the Labour Party conference are not stupid. They know it is wrong to sell off Aer Lingus. They also know that the terms and conditions of this sell-off do not match the motion they sponsored. Was their conference motion all about the optics? This vote today allows them to make a stand. In fact, this vote compels them to make a stand in keeping with their own party conference motion. Unless their party conference motion was always about throwing shapes, that is exactly what they should do. They should vote against the sell-off of Aer Lingus. If they vote for it they will be putting the interest of a multinational company before the needs and interests of the Irish people.

Deputy Mary Lou McDonald: To clarify for the Minister, Deputy Coveney, there is nobody on any side of this argument who does not understand that what we are debating is the issue of the 25% stake. We know that the initial vandalism to Aer Lingus in 2006 was carried out on Fianna Fáil's watch.

The die was cast for the 25% stake back in 2012 when the Government compiled a list of what it regarded as non-strategic State assets. Along with elements of the ESB, Bord Gáis and Coillte, which of course it stepped back from, there was the 25% stake in Aer Lingus. A “non-strategic asset”, it said. At the time I remember questioning, and not getting satisfactory answers from, the Minister for Public Expenditure and Reform, Deputy Howlin, on how on earth the Government arrived at the conclusion that the 25% stake was not strategic. I listen to Government Deputies now and I listened to the Minister last night and all are praising Aer Lingus, which is correct to do. The Minister set out the way Aer Lingus has served and continues to serve the country well. He also observed that Aer Lingus and its operations represent a significant and legitimate national interest. Strategic, strategic, strategic.

If the objective at the outset had been to offload non-strategic assets, this holding in Aer Lingus would never have appeared on the list. However, that was not the rationale or the motivation. Instead, Fine Gael and the Labour Party, led by the nose by Fine Gael, agreed to an approach and a set of actions that are all about taking the public interest and the public share out of public utilities and aviation, including Aer Lingus.

Some of the Minister's colleagues have made valiant efforts to convince the rest of us that the rights of workers in Aer Lingus are protected by this deal. They cite, almost ironically, the registered employment agreements and say they will be a catch-all to secure people's rights and entitlements. It is deeply ironic because the very legislation required to give life and effect to

such agreements has not even passed through the Oireachtas as we speak. Fears of compulsory redundancy, fears of outsourcing, fears of a real, effective running down of workers' terms and conditions are justifiable because if IAG and the Government have their way it will, necessarily and by definition, trigger a process of consolidation. If we are to follow the trend and logic of the Nyras report, that will involve very serious cuts in employment. Not alone will this involve a reduction in the numbers of those employed, it will also involve a substantial change in the nature and profile of employee and a change from direct to indirect employment. Many of the airlines cited by Deputy Coveney saw exactly that pattern and exactly that narrative play out.

I find it deeply unacceptable that the Government is so cavalier in its approach to the rights of employees, job security and the standard of work of those employed in Aer Lingus. The workers feel that acutely. They are not fooled for a second by the Minister's conditional and half-baked, halfway-house guarantees. They do not cut the mustard for them.

Even more shocking is the Minister's attitude towards the pensioners. He met with the group of 1,500 deferred pensioners who had received letters of comfort from Aer Lingus. Most had given huge service to the company and they were given a clear understanding, in black and white, that their pension entitlements would be secured and protected. What followed was anything but that. I have a letter from one of them, a man who had very lengthy service with Aer Lingus, and his pension entitlement has been cut by 60%. It has more than halved. At one stage while thinking out loud, *mar dheá*, Deputy Joe Costello of the Labour Party said he would seek something for this group of deferred pensioners if a deal were to be put on the table.

Deputy Peter Mathews: Do it now.

Deputy Mary Lou McDonald: That did not materialise. Not to put too fine a point on it, what has happened is that the deferred pensioners in particular have been thrown under the bus by the Government. The Minister met them, as did the Tánaiste, and undertakings were given that they would be given a fair hearing and that something would be done to rectify the situation. However, the Government did not want to know and still does not want to know. The reality for this group of pensioners — fine people who in Aer Lingus served the country and the airline well, truly and honourably — will be put to the pin of their collar in their old age. That is the story for them. As the Minister spins his good news, that is the reality for them.

However, the Minister seems to have carried the day because he has successfully convinced his Government colleagues that his "B" share, his golden share, somehow allows for an ongoing veto in respect of the Heathrow slots. In front of me I have a copy of the agreement struck with IAG and also a copy of Article 10 from the articles of association of Aer Lingus. Let us be clear and put on the record of the Dáil what will exist in perpetuity. There is to be an ongoing cast-iron guarantee that Aer Lingus Group plc will not change its name. Equally, there is a guarantee that Aer Lingus itself will operate under the name Aer Lingus and a guarantee that the brass plate, the head office, will be headquartered in the Republic of Ireland. After that, my friends, there will be nothing else - nothing whatsoever.

I heard Deputy O'Dowd praise in a heightened emotional state the wonder of having an absolute ongoing veto over the disposal of the Heathrow slots. The Minister, Deputy Donohoe, needs to make it clear when he speaks — I assume he will make the concluding remarks in this debate — that no such veto exists. What the Minister will be allowed to do is convene an extraordinary general meeting, at which the shareholders will decide whether to dispose of the Heathrow slots. If anybody imagines this is a win for Aer Lingus, the Government or State, he

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needs to give his head a shake. The members of the Labour Party, in particular, who pledged to protect the strategic interests of the country and citizens in Aer Lingus need to wake up and smell the coffee. There is no veto regarding the Heathrow slots. There is a commitment for five years and a conditional commitment for an additional two years in respect of the use of those slots. While this is true, the Minister, Deputy Donohoe, the Minister of State at the Department of the Taoiseach, Deputy Paul Kehoe, and the Minister for Agriculture, Food and the Marine, Deputy Simon Coveney, who has left the Chamber, should realise that, in seven years, we will still live on an island. I predict that in seven years, not only will we not have any controlling influence over the use of Heathrow slots, we will have no veto because it is not written down in any of these documents. This is what makes the failure of the Government to provide to every Deputy these documents and others that exist in respect of this deal all the more cynical and disgraceful. It is utterly cynical on the part of the Minister. It is utterly cynical to deny the transport committee its right to scrutinise the detail. There is not a veto and Members on the Government side simply repeating like parrots that there is one does not change that reality.

An Leas-Cheann Comhairle: I ask for the Members' co-operation. There are only four minutes left. Deputies Maureen O'Sullivan, Mattie McGrath and perhaps another Deputy still wish to contribute but I must call the Minister at 4.27 p.m.

Deputy Timmy Dooley: To be helpful, since the Chief Whip is in the House and there are a number of speakers who still have not had an opportunity to speak, would it be possible to change the order to allow another 20 or 25 minutes of debate to facilitate them as they have genuine concerns? In the interest of fair play and recognising that the Government has refused to allow this debate to continue this week-----

An Leas-Cheann Comhairle: We are eating into time now.

Deputy Paul Kehoe: Three minutes each.

An Leas-Cheann Comhairle: All right. I call Deputy O'Sullivan.

Deputy Timmy Dooley: Could we have five minutes each to give people an opportunity to put their views on the record?

An Leas-Cheann Comhairle: This is like Spancil Hill. Will the Members have five minutes each?

Deputy Paul Kehoe: Three minutes.

Deputy Jonathan O'Brien: Five minutes.

An Leas-Cheann Comhairle: I do not want to have a vote on this. Deputy O'Sullivan has three minutes.

Deputy Maureen O'Sullivan: I will speak quickly. We could apply one of our proverbs to this - "Marry in haste and repent at leisure" - because that is what we are doing here. We came in on Tuesday believing we would be talking about the postal services legislation, the Constitutional Convention and criminal justice but the media informed us very early that morning that the whole programme had been changed.

My views arise from my having spoken with long-serving members of crew in Aer Lingus. The first point they would like to make is that IAG works on the basis of a 12% profit margin,

or thereabouts, whereas Aer Lingus works on the basis of a profit margin of 7.5%. Therefore, in order to be profitable, it seems that it will be up to Aer Lingus staff to make up the difference. How will they do so? We know it will be through cheap labour, outsourcing and reorganising.

The second point concerns Aer Lingus short-haul flights. European staff see clearly how the IAG outsources all check-in, baggage handling and airport support work to cheaper companies. Therefore, why would Aer Lingus staff be confident that Ireland will be treated as a special case?

The notion that the guarantees are legally binding is also a myth because various experts in corporate takeover law and appointment who have been consulting the staff have said there has never been a case of a government taking a corporate entity the size of IAG to court over breaking an agreement. That just does not happen.

Third, in the eyes of staff, the seven-year guarantee is like a time-bomb. They believe that after the seven years have expired, if not before, the Heathrow slots will be redistributed overnight for British Airways long-haul services, connecting British Airways to the Middle East and the US routes as they are far more profitable than it would be to keep Heathrow as a hub for Dublin outbound and inbound traffic.

The staff are also very concerned about the lack of consultation with them at a meaningful level. The consultation appears to have been all with shareholders and those who stand to make vast sums of money from this. I listened to the CEO this morning. Some of the phrases he used included “rationalising processes” and “deliver services in a new way”. He then used the phrase “dependent on growth”. Of course, that is the get-out clause.

Aer Lingus has been very much associated with so much that is Irish, including our céad míle fáilte. The company staff are renowned for their safety, commitment and care. All of these are now under threat. There are far too many questions for the staff, and far too many genuine concerns for this vote to go through now. Why is the Government selling its share in a profitable company? Why does it expect promises to be kept by a corporate entity? Corporations are not exactly known for their human rights concerns, workers rights or labour laws. How can the Government really believe that a multi-billion euro airline group carrying over 500 million passengers per year would care about the connectivity of a small island of 4.5 million people, especially when we have already seen examples of it outsourcing other work?

Deputy Mattie McGrath: The Government has told us its decision was taken following detailed and careful consideration of all the issues involved in the potential disposal of the 25.1% share, yet we are aware of the circumstances described in the Nyra report. The Taoiseach and Minister for Finance, Deputy Michael Noonan, said they did not see it. That is the first untruth and example of misleading information. There has been a fob-off. As Deputy Maureen O’Sullivan said, we came in to do certain business this week and were diverted into the business at hand. I have waited all day for my ten minutes in which to speak but the Government has allowed me only three. It is very magnanimous.

Of course, no one believes the Minister, Deputy Paschal Donohoe, anymore. The Minister for Agriculture, Food and the Marine, Deputy Simon Coveney, referred to connectivity and stated the €335 million would go into the strategic investment fund for connectivity. Connectivity my hat. Aer Lingus will be gone. The Minister for Agriculture, Food and the Marine should recall the experience of the sugar industry and note the desolation in Carlow, Thurles

and other areas of the country. We sold out our industry there, which was a very vital industry.

We have sold off other assets like Eircom. Where is Eircom now? It takes a month to get a telephone repaired in any part of rural Ireland and if someone lives in a remote area, they will not even get a telephone line. Irish Ferries was sold and Irish Shipping is now in Chinese ownership. The Government's attitude to workers and deferred pensioners is "to hell or to Con-nacht", "to hell or to India" or "to hell or to Willie Walsh". The Government does not care. It never cared about ordinary people. One can go back to the Government of 1948 to 1952 which sold our investment in long-wave radio. Fine Gael has not changed its spots. The Labour Party joined it and Fine Gael beats it up, throws it around like pulp and browbeats it into voting with it.

This is an outrageous sham like everything the Government has done, such as Uisce Éire-ann. Big Phil has gone to Brussels. Where is Putting People First, the famous document for better local government? The Minister for Public Expenditure and Reform now tells us that it was a mistake and he took his eye off the ball. The Government is a disgrace. It is forgetting about the regions.

The Government talks about the golden share. It will melt away as if it is a lollipop or candy floss in the mouth as quick as one puts it in. We all know that. If the Government did not have any support with a 25.1% stake, what will it have with its golden pellet or bullet? I know what will happen to its golden bullet and I know where it should go as well. The Government will go back and face the people and it will face them pretty soon. It got a lesson last week in Carlow-Kilkenny but there are many more lessons waiting for it because it has sold out the people who gave it its mandate.

The Government will not even give us time to debate this matter. It rammed this through here today. We got seven hours of debate. The Government should join a community employment scheme and work week-on, week-off because that is all it has done here in the past three weeks. We were running with two, three and four hours taken out of a day's work during the past number of weeks. The Government Chief Whip should be ashamed of the way he runs this Government. He only gives us seven hours to debate a strategic and important industry with so many jobs and so much activity. Government Deputies should hang their heads in shame and go back to their constituents tonight because the people are waiting for them.

Deputy Billy Timmins: I thank Deputy Mattie McGrath for giving me some of his time. I do not necessarily agree with the sentiment he expressed but he certainly did it very emotionally. It is important to point out that since 2006, the Government has had no control over Aer Lingus, it is a private company and it cannot survive in its current form. Aer Lingus is a commercial company and must make its decisions on that basis. I am not a believer in Government having any role in running companies like airlines in the same way as I do not believe it should ever have had a role in running the Great Southern Hotels because it is not capable of running them. Government would be better served if it became a bit more efficient in running the things it is responsible for.

Aer Lingus management, the regional airports, the former CEO and Michael O'Leary of Ryanair are in favour of this. Who am I to argue with many of these players? I suspect that most workers are secretly in favour of it. Certainly, the most important people of all who have received virtually no mention in this House - the consumers - would be in favour of this. We all remember times when we could not travel to London on an aircraft given the price and we

should acknowledge the role played by Ryanair in giving large parts of the population access to flying.

It is important to realise that we live in a global economy. Ireland is geographically an island but it is not an island commercially and economically.

Deputy Timmy Dooley: That is the latest policy. When is an island not an island?

Deputy Billy Timmins: Deputy Dooley is very much an island because he cannot remember how Fianna Fáil sold off 75% in the recent past. He is not in a position to cast any stones in this Chamber. It is important to realise that we live in a global economy.

The Government has spoken about a windfall to the regions. My understanding is that State aid cannot be given directly to the airports. The Ireland Strategic Investment Fund was mentioned by the Minister for Finance. What is in this fund? I understand it contains between €5 billion and €6 billion. It was set up 18 months ago and somewhere in the region of only €100 million has been circulated. It is a mechanism that is not working, the Government is going to change it and here we are talking about it as a vehicle for getting money out to the regions. In his response, I would like the Minister to tell us how the windfall to the regions will happen, the status of the Ireland Strategic Investment Fund, how much money is in it, how much money from it has been invested since its inception and if he intends to route money through it from the sale of Aer Lingus.

In a nutshell, I very much support the sale.

Minister for Transport, Tourism and Sport (Deputy Paschal Donohoe): I thank all Deputies for their contributions. We have had a very long and important debate on this very important decision and I have been here for nearly all of it. I am aware of the importance of this decision like everybody else in this Chamber. This sentiment is not confined to the Opposition benches but is something every member of this Government understands. We appreciate the very long history of Aer Lingus and its deep importance to our country. For 70 of the nearly 80 years of its existence, it was a State-owned organisation. It was privatised nine years ago. Across that entire period, it has had a very special place in the hearts of the Irish people. The Government has been very conscious of this at every stage. It has been very conscious of the public interest in that company and the decision. It is the reason why the Government has taken such care in reaching a decision on the future of its shareholding in the airline. We are doing so against the background of extraordinary tourism numbers announced yesterday. There were almost 1.8 million overseas visits to our shores in the February to April period, an increase of 13.5%, which highlights the importance of connectivity and access to our country and shows how our economy can benefit from tourism. Against the backdrop of these figures that this Government has been instrumental in delivering, we do not need any lectures from that side of the House on the importance of access.

We are also aware of the degree of change that has taken place in the international aviation market. It has changed immeasurably since 1936 with the most rapid changes occurring over the past 30 years. For its first 70 years as a State-owned company, Aer Lingus served the country very well. As a minority State-owned company, it has performed even better in a highly competitive and volatile market. The Government has now decided to support IAG's offer as we are absolutely clear that this provides the best opportunity for Aer Lingus to continue to grow and prosper, serving the country as part of a larger privately owned airline group. Like

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any business, Aer Lingus has had to change with the times and, likewise, Government policy relating to ownership of our stake in the airline is responding to changing circumstances.

At the heart of this debate and our decision is whether the State should continue to own a significant minority shareholding in an airline. This factor has been touched on by some Deputies. As I have pointed out already, the European airline industry remains relatively fragmented compared to the US. Many of the European legacy carriers have been forced to implement significant restructuring plans in recent years, have been taken over or have gone out of business. This has driven consolidation among European airlines with many formerly state-owned airlines either becoming part of larger groups or having failed. They no longer exist.

The Government and I do not want to leave it to chance that there will be a forced decision in more difficult circumstances at some point in the future. The huge improvements in choice of routes, price and service levels are largely attributable to the opening up of the aviation market to real competition. Tourists, business people, friends and relatives can now fly in and out of more Irish airports to more destinations than could ever have been imagined 30 years ago. Deputy McGinley made the point earlier about the difference in price between now and when he took his first flight on an Aer Lingus plane over 30 years ago. The travelling public and the economy as a whole have benefitted greatly from the very good competition and connectivity provided over recent decades. This Government's aviation policy is firmly aimed at ensuring this situation is maintained into the future. A key aspect of the IAG offer is that upon completion, the two largest Irish airlines will continue to operate as strong operators and serve vital routes for Ireland and for the Irish market.

As has been demonstrated clearly over the last two days, the Government's decision to support the IAG offer has only been taken after very careful consideration and having secured guarantees from IAG. I want to emphasise the main reasons for this decision to accept this deal. The first is jobs. This will create employment. It is envisaged that a net total of 635 jobs will be created in Aer Lingus in Ireland by 2020, with 150 of these jobs coming into existence and on stream by the end of 2016. It strengthens the competitive position of Aer Lingus in an extraordinarily volatile and demanding industry. It reduces risk to the company and provides it with an opportunity to plug into more routes, to serve more locations and to launch new services, two of which we will see next year. It gives greater certainty around our connectivity to Heathrow, a point to which I will return. It strengthens the guarantees we have around the disposal of Heathrow slots and it provides guarantees for seven years on the usage of slots that do not exist at the moment. It promotes Ireland's wider connectivity and can and will bring growth to our airports. It is anticipated that benefits will accrue on short and long haul routes at Dublin, Cork, Shannon and Knock airports. Finally, it will protect the iconic Aer Lingus brand, which is very important to this Government and to the people, and it will keep the head office of Aer Lingus in Dublin.

I will now respond to some of the points that were made during the debate. Politics is about leadership. It is about doing what we believe is right even if sometimes that is not popular. Over the last two days the leadership qualities of other parties and other Members have been brought into focus. I am particularly struck by the Members from both Government parties - from Fine Gael and the Labour Party - who have indicated that they will support this motion because they believe it is in the best interests of the State, Aer Lingus and the current and future workers at the company.

Deputy Noel Grealish: What about Aer Lingus Regional?

Deputy Paschal Donohoe: Despite initial reservations, some of which I shared and which led to my rejection of the earlier offer from IAG, Deputies in government in both parties engaged with me on this matter. They engaged with the company and the unions and they laid out to me, as Minister, matters of concern in a clear, responsible and, at times, forceful manner. There were Deputies on the Government benches who decided not to play politics with the reputation of the company or with the livelihoods of the workers they represented but rather-----

Deputy Mattie McGrath: They were only playing games.

Deputy Paschal Donohoe: Rather, they sought to use their offices - as Ministers and Deputies - to seek assurances for those they were elected to represent and I commend them for that. As Minister, I did my best to respond to the points that were made. Indeed, they were crucial in determining the criteria for evaluating the initial proposal and fundamental to the agreement secured by this Government. I want to acknowledge the role played by the Minister for Public Expenditure and Reform, Deputy Howlin, the Minister for Finance, Deputy Noonan and the Minister of State at the Department of Jobs, Enterprise and Innovation, Deputy Nash in a process that has gone on for many months, in private and in public, in advancing issues which they knew to be important. They, along with many of my colleagues in both parties with whom I engaged over many months, showed passion and ambition for their country.

Deputy Mary Lou McDonald: Wow.

Deputy Paschal Donohoe: That is what this agreement is about and why I am putting the motion to the House this evening.

The same passion and ambition has not been evident from others in this House. I must say that I am particularly struck by the cowardice of Fianna Fáil in this matter. The party that privatised 75% of Aer Lingus-----

Deputy Colm Keaveney: The Minister is going to privatise 100% of Aer Lingus.

Deputy Paschal Donohoe: The party that bankrupted our country is now playing politics with this great company.

(Interruptions).

Deputy Paschal Donohoe: During the recent debate, Fianna Fáil members praised the management of Aer Lingus for turning the company around. Then, in the same breath, they castigated the same management for selling out the workers and looking to advance an agenda they do not have. The Deputies opposite cannot have it both ways. They cannot stand up in the House and say on the one hand that the leadership of Aer Lingus is responsible, along with the workers, for saving the company and then argue that the same leaders are trying to ruin the company.

Deputy Timmy Dooley: They will be getting a big payout-----

Deputy Paschal Donohoe: Fianna Fáil, having secured practically no guarantees when it sold Aer Lingus, is now, for nakedly political purposes, opposing a deal which includes guarantees and which brings benefits to the country. To make matters worse, Deputy Martin, a man whose sole legacy to Irish aviation is the scale of the debt on Cork Airport-----

Deputy Mattie McGrath: The Minister will have it closed down if he has his way

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Deputy Paschal Donohoe: -----referred yesterday to the Nyras report and claimed that it was commissioned last February by Aer Lingus and IAG. It was nothing of the sort. Deputy Martin either did not know the facts, which shows a shameful inadequacy on his behalf as leader-----

Deputy Timmy Dooley: Has the Minister read it? The Minister should stick to the contents of the report.

Deputy Paschal Donohoe: -----or did know and misled the House. The work of Nyras was commissioned solely by Aer Lingus. It had nothing to do with IAG and it has nothing to do with the deal currently being debated by this House.

Deputy Barry Cowen: All the more reason to read it.

(Interruptions).

Deputy Paschal Donohoe: Deputy Martin's contribution was only matched in its absurdity by another claim from a Fianna Fáil Deputy who said the following about Aer Lingus: "tomorrow it will be owned by the Arabs". That is complete nonsense.

Deputy Mary Lou McDonald: Where is the Minister's veto?

Deputy Paschal Donohoe: Fianna Fáil now stands separate to every major business organisation in this country in not welcoming this deal. The party that bankrupted our country-----

Deputy Niall Collins: Here we go. Here comes the punch line.

Deputy Paschal Donohoe: -----is now bankrupt of economic vision or any long term economic plan. To quote their former party colleague-----

(Interruptions).

Deputy Paschal Donohoe: -----Senator Averil Power-----

Deputy Timmy Dooley: What about the Minister's former colleague, Deputy Creighton? Where is Lucinda?

Deputy Paschal Donohoe: If ever we needed evidence that proves her right, we have seen it in the last few weeks. As she said, Fianna Fáil is "unfit to govern".

(Interruptions).

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

(Interruptions).

Deputy Paschal Donohoe: As for Sinn Féin, the same old tired proposals were brought out again: nationalise the airline-----

(Interruptions).

Deputy Paschal Donohoe: Let us look at the proposals from Sinn Féin to nationalise the airline-----

Deputy Mary Lou McDonald: What about the Minister's veto?

(Interruptions).

Deputy Paschal Donohoe: -----nationalise the banks; nationalise everything that moves.

Deputy Mary Lou McDonald: What about the Minister's veto?

Deputy Colm Keaveney: The Government wants to privatise everything.

Deputy Paschal Donohoe: How, I wonder, would we pay for all of these nationalisations?

Deputy Mary Lou McDonald: I ask the Minister to explain the veto. Where is it?

Deputy Paschal Donohoe: Of course, we know the answer. The answer to all of this is its famous wealth tax we hear so much about. That tax would not only be levied on the companies it despises-----

Deputy Mary Lou McDonald: Where is the veto?

Deputy Paschal Donohoe: -----but it would also be levied on every individual in this country, including the workers in Aer Lingus. Their colleagues on the Independent benches included the cheerleaders of the boom like Deputy Shane Ross and the cheerleaders of gloom, like Deputies Clare Daly and Ruth Coppinger.

Deputy Dara Calleary: Nationalise the speech writers.

Deputy Paschal Donohoe: They have engaged in their normal approach of parliamentary indignation.

Deputy Derek Keating: To everything.

Deputy Paschal Donohoe: If it was not for the fact that they speak in the same tone about every matter brought before the House, there might have been other reasons for taking their points seriously.

Deputy Timmy Dooley: It must be the Minister, Deputy Michael Noonan's speech writer.

Deputy Paschal Donohoe: I want to respond to a number of legitimate points that were put to me-----

Deputy Noel Grealish: Like the 400 jobs.

Deputy Paschal Donohoe: -----regarding maintaining the connectivity to Heathrow Airport, retaining the Aer Lingus brand and its head office in Ireland. Subject to the approval of Aer Lingus shareholders, these connectivity commitments will be enshrined in the articles of association to give them legal effect.

Deputy Mattie McGrath: And the Government's golden share.

Deputy Paschal Donohoe: The Minister for Finance will retain one share in the company, the class B share-----

Deputy Colm Keaveney: The black share.

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Deputy Paschal Donohoe: -----which will be redesignated as a new class of share-----

Deputy Timmy Dooley: That is the BS share.

Deputy Paschal Donohoe: -----with certain rights attached to it.

Deputy Mary Lou McDonald: The share is not a veto.

Deputy Paschal Donohoe: The prior consent of the Minister for Finance, in consultation with the Minister for Transport, Tourism and Sport of the day, will be required by Aer Lingus before taking any action inconsistent with the connectivity commitments.

Deputy Mattie McGrath: A big stick to beat them with.

Deputy Mary Lou McDonald: What does that affect?

Deputy Paschal Donohoe: Some Deputies have suggested there would be nothing to prevent the articles being changed in future under IAG ownership, negating the value of this share.

Deputy Mary Lou McDonald: That is right.

Deputy Paschal Donohoe: This is absolutely not the case.

Deputy Mattie McGrath: The golden share.

Deputy Derek Keating: Why does Deputy Mattie McGrath not listen?

Deputy Paschal Donohoe: Under the provisions of the proposed articles, which have been agreed with IAG, any alteration of either the rights attaching to the B share or the articles themselves that affect the rights attaching to the B share in any way, would require the consent of the B shareholder, the Minister for Finance of the day.

(Interruptions).

An Leas-Cheann Comhairle: Quiet, please.

Deputy Paschal Donohoe: In other words, the proposed protections to be enshrined in the articles-----

Deputy Timmy Dooley: Mr. Willie Walsh must be losing his touch. He is giving a lot of money for Aer Lingus by the sound of things.

Deputy Paschal Donohoe: -----cannot be changed in the future without the agreement of the State shareholder, the Government.

Deputy Mattie McGrath: Does the Minister believe that?

Deputy Dara Calleary: The tooth fairy share.

An Leas-Cheann Comhairle: Please, Deputies.

Deputy Paschal Donohoe: Despite the clear network plans, the plans by airport and the protection of slots by airport that have been outlined, some Deputies continue to try to scare-monger by referring to job losses that happened at Iberia following its merger with BA to create IAG. I heard some Opposition spokespeople refer to the great company of Aer Lingus and say

this would be another nail in the coffin of a company as great as Aer Lingus. They attempted to draw a direct comparison between Aer Lingus and Iberia. Those Deputies know that is completely inappropriate.

Deputy Dessie Ellis: The same promises were made to Spanish workers and they were let down the same way.

Deputy Paschal Donohoe: Shame on them for drawing that comparison.

Deputy Dara Calleary: What about the Nyras report?

An Leas-Cheann Comhairle: Please, Deputy.

Deputy Paschal Donohoe: Let us consider the difference between the two companies. Iberia was in financial distress at the time of its merger with BA. It had been loss making for several years before their merger occurred.

Deputy Aengus Ó Snodaigh: That makes the Government's deal even more scandalous.

Deputy Paschal Donohoe: Aer Lingus is profitable having undergone significant restructuring over many years.

Deputy John Halligan: Why is the Government selling so?

Deputy Paschal Donohoe: Even though they are aware of these facts, the reason they brought such focus on what happened with Iberia is because they want to draw attention away from one of the main reasons the Government is supporting this transaction, which is to maintain high-quality employment and to create more jobs in the future-----

Deputy Mattie McGrath: Where?

Deputy Paschal Donohoe: -----with the plans in place and the target for the 635 jobs by 2020.

Deputy Timmy Dooley: The plan is to pay them poorly and force them out after six months

Deputy Paschal Donohoe: Let us consider the existing workers and the work that has taken place within Government over many months.

Deputy Mattie McGrath: Sell out.

Deputy Paschal Donohoe: This has been acknowledged by many backbench speakers in recent days. The chief executive of Aer Lingus-----

Deputy Dessie Ellis: How much does he get?

Deputy Paschal Donohoe: -----has confirmed in writing Aer Lingus's position on registered employment agreements.

Deputy Noel Grealish: What about Stobart Air?

An Leas-Cheann Comhairle: Order, please.

Deputy Paschal Donohoe: He has committed to doing two further things with registered

employment agreements.

Deputy Noel Grealish: There are 400 jobs in Stobart Air.

Deputy Paschal Donohoe: He has committed to expanding the scope of registered employment agreements.

Deputy Mattie McGrath: Does the Minister believe him? He does not care about wages.

Deputy Paschal Donohoe: He has committed to expanding the number of workers who will be covered by the same registered employment agreements. One of the great ironies is that all of the speakers who have complained about a debate that has gone on for two days-----

Deputy Mattie McGrath: It is at the 11th hour and too late.

Deputy Paschal Donohoe: -----is that one of the things that is now not happening today as a result of their complaints is the very legislation to introduce registered employment agreements and put in place the foundations to make this agreement happen-----

Deputy Dara Calleary: That was the Government's choice.

Deputy Paschal Donohoe: -----is now not going to happen this week.

Deputy Aengus Ó Snodaigh: Whose fault is that? The Government changed the agenda for the week.

Deputy Paschal Donohoe: The Minister of State, Deputy Gerald Nash, will introduce that legislation and it will underpin these agreements.

An Leas-Cheann Comhairle: I ask the Minister to conclude.

Deputy Timmy Dooley: Give him lots of time, a Leas-Cheann Comhairle.

Deputy Paschal Donohoe: Mr. Kavanagh has also indicated, and it has been publicly acknowledged by union leaders today, that there will be a process of structured consultation with staff and their representatives, governed - I use these words deliberately - by agreed structures when or if any restructuring is required and that Aer Lingus does not foresee a likelihood of either compulsory redundancy or non-direct employment.

Deputy Mattie McGrath: The Minister would believe anything.

Deputy John Halligan: What does "not foresee a likelihood" mean?

Deputy Paschal Donohoe: This is a company that responded at times of crisis-----

Deputy Timmy Dooley: The Government did not see anything wrong with Irish Water either.

Deputy Paschal Donohoe: -----to huge challenges and huge difficulties without having to make recourse to these options.

Deputy Timmy Dooley: Clearly the Government foresaw everything that would happen with Irish Water when it rammed that legislation through the Houses.

An Leas-Cheann Comhairle: Quiet, please.

Deputy Paschal Donohoe: Now at a time of growth we can look at that track record in times of difficulty. We can look at the legal framework the Government is introducing. We can look at the written assurances from the chief executive of Aer Lingus and that gives my Government colleagues the confidence-----

Deputy Mattie McGrath: And the cover.

Deputy Paschal Donohoe: -----to know that these commitments will be implemented.

I again acknowledge Aer Lingus's great success in recent years.

Deputy Noel Grealish: Why does the Minister not acknowledge Aer Lingus Regional?

Deputy Paschal Donohoe: It has responded to the challenges of the global financial crisis and of the events of 9 September 2001. Its management, leaders, workers and unions have collectively risen to those challenges and have done a tremendous job. However, what is underpinning the recommendation and the decision before the Dáil this afternoon is the simple and fundamental acknowledgement of what is happening in the airline industry. We need to consider the volatility and consolidation in the aviation industry. The Government believes that there will be significant benefits for future growth and connectivity in the company joining a larger group such as IAG-----

Deputy Mattie McGrath: It is selling its soul.

Deputy Paschal Donohoe: -----while remaining as a separate business with its own brand, management and operations.

Deputy Colm Keaveney: What about the deferred pensioners?

Deputy Paschal Donohoe: In addition, the board of Aer Lingus has expressed the view that, as part of this group, it will have more opportunities to manage risk and accelerate its growth plans and should be in a stronger position to respond to the commercial challenges.

(Interruptions).

An Leas-Cheann Comhairle: Quiet, please.

Deputy Paschal Donohoe: The Government made the decision to reject the approach from Ryanair early in our term of office. When I made the decision not to accept the initial approach from IAG, we did not hear a word from the Opposition about it. It was struck in dumb silence on the matter.

Deputy Timmy Dooley: That is because the Government was doing the right thing.

Deputy Paschal Donohoe: There were no calls for a debate to focus on it.

(Interruptions).

An Leas-Cheann Comhairle: Quiet, please.

Deputy Paschal Donohoe: The Government rejected that proposal then because we believed the best deal was not then secured for our country, for Aer Lingus or for its workers. We

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rejected that deal then and we have secured a better deal because, working with Cabinet colleagues, and back bench Deputies and Senators in both parties, we have advanced the cause of the company, its workers and passengers for the years to come.

5 o'clock

Deputy Peter Mathews: Why is the Minister supporting the IAG proposal?

An Leas-Cheann Comhairle: Will the Deputy, please, allow the Minister to conclude?

Deputy Paschal Donohoe: I want to conclude with the reason I am asking the House and the Government to support this proposal.

Deputy Peter Mathews: It should be accepted not supported.

Deputy Paschal Donohoe: Yesterday, I commenced my contribution by saying Aer Lingus was one of the first State companies established by a newly independent State in 1936.

Deputy Mattie McGrath: It was a seven-hour, not a two-day, debate.

Deputy Paschal Donohoe: It predates other organisations and companies such as CIE and Bord na Móna. The establishment of Aer Lingus was more than the setting up of an airline-----

Deputy Mattie McGrath: The sell-out of it.

Deputy Paschal Donohoe: -----it was an expression to the rest of the world-----

Deputy Peter Mathews: This is a bad day in terms of fairness for the deferred pensioners.

Deputy Paschal Donohoe: -----of Irish optimism and openness in terms of a fledgling country finding its way in the world, connecting with other countries to advance its interests. Today, that optimism and openness remains. Change should not be feared.

Deputy Mattie McGrath: The Minister is fairly optimistic.

Deputy Paschal Donohoe: It must be examined and, where appropriate-----

Deputy Peter Mathews: This proposal was not examined.

Deputy Paschal Donohoe: -----and following reflection, it should be embraced.

Deputy John Halligan: The history of privatisation in Ireland is to be feared.

Deputy Paschal Donohoe: There must be openness to new opportunities-----

Deputy Noel Grealish: And job losses. Do not forget about the job losses that will result from this.

Deputy Paschal Donohoe: -----while admitting, as many speakers have done, that there are no certainties in life and that risk is always present.

(Interruptions).

Deputy John Halligan: What about Irish Shipping and all the jobs lost in that regard?

Deputy Paschal Donohoe: Ireland and Aer Lingus are ready for this change.

Deputy Noel Grealish: We will be looking up in the future but we will not be seeing Aer Lingus.

Deputy Paschal Donohoe: I am confident that supporting this offer is the right decision for this Government and the Dáil. It is in the best interests of the airline, its employees-----

Deputy Mattie McGrath: And Fine Gael.

Deputy Paschal Donohoe: -----those who will work in the company in the future, the travelling public, job creation and the overall economy.

(Interruptions).

Deputy Aengus Ó Snodaigh: Is it in the best interests of the country?

Deputy Paschal Donohoe: I am seeking the approval of this House to proceed on the basis of the general principles I have laid before it. I commend the motion to the House.

Deputy Timmy Dooley: On a point of order, how much time is allowed for questions and answers?

Question put.

The Dáil divided by electronic means.

Deputy Dessie Ellis: As a teller, I seek a vote by other than electronic means so as to give Government colleagues in the Labour Party and Fine Gael an opportunity to examine their consciences and what they are doing to the country.

An Ceann Comhairle: A walk-through vote has been sought on No. 13, a motion re approval by Dáil Éireann of the general principles of the disposal of shares in Aer Lingus Group plc. That vote will now take place.

Question again put:

<i>The Dáil divided: Tá, 74; Níl, 51.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Bannon, James.</i>	<i>Adams, Gerry.</i>
<i>Breen, Pat.</i>	<i>Aylward, Bobby.</i>
<i>Burton, Joan.</i>	<i>Boyd Barrett, Richard.</i>
<i>Butler, Ray.</i>	<i>Broughan, Thomas P.</i>
<i>Byrne, Catherine.</i>	<i>Calleary, Dara.</i>
<i>Byrne, Eric.</i>	<i>Collins, Joan.</i>
<i>Carey, Joe.</i>	<i>Collins, Niall.</i>
<i>Coffey, Paudie.</i>	<i>Colreavy, Michael.</i>
<i>Conaghan, Michael.</i>	<i>Coppinger, Ruth.</i>
<i>Conlan, Seán.</i>	<i>Cowen, Barry.</i>
<i>Connaughton, Paul J.</i>	<i>Crowe, Seán.</i>
<i>Conway, Ciara.</i>	<i>Daly, Clare.</i>

<i>Coonan, Noel.</i>	<i>Donnelly, Stephen S.</i>
<i>Corcoran Kennedy, Marcella.</i>	<i>Dooley, Timmy.</i>
<i>Costello, Joe.</i>	<i>Ellis, Dessie.</i>
<i>Coveney, Simon.</i>	<i>Ferris, Martin.</i>
<i>Creighton, Lucinda.</i>	<i>Fitzmaurice, Michael.</i>
<i>Deasy, John.</i>	<i>Fleming, Sean.</i>
<i>Deering, Pat.</i>	<i>Fleming, Tom.</i>
<i>Doherty, Regina.</i>	<i>Grealish, Noel.</i>
<i>Donohoe, Paschal.</i>	<i>Halligan, John.</i>
<i>Dowds, Robert.</i>	<i>Healy, Seamus.</i>
<i>Doyle, Andrew.</i>	<i>Healy-Rae, Michael.</i>
<i>Durkan, Bernard J.</i>	<i>Keaveney, Colm.</i>
<i>English, Damien.</i>	<i>Kirk, Seamus.</i>
<i>Farrell, Alan.</i>	<i>Kitt, Michael P.</i>
<i>Feighan, Frank.</i>	<i>Lowry, Michael.</i>
<i>Ferris, Anne.</i>	<i>Mac Lochlainn, Pádraig.</i>
<i>Fitzgerald, Frances.</i>	<i>McConalogue, Charlie.</i>
<i>Fitzpatrick, Peter.</i>	<i>McDonald, Mary Lou.</i>
<i>Gilmore, Eamon.</i>	<i>McGrath, Finian.</i>
<i>Griffin, Brendan.</i>	<i>McGrath, Mattie.</i>
<i>Hannigan, Dominic.</i>	<i>McLellan, Sandra.</i>
<i>Harrington, Noel.</i>	<i>McNamara, Michael.</i>
<i>Harris, Simon.</i>	<i>Martin, Micheál.</i>
<i>Heydon, Martin.</i>	<i>Mathews, Peter.</i>
<i>Humphreys, Heather.</i>	<i>Murphy, Catherine.</i>
<i>Humphreys, Kevin.</i>	<i>Murphy, Paul.</i>
<i>Keating, Derek.</i>	<i>Naughten, Denis.</i>
<i>Kehoe, Paul.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Kenny, Seán.</i>	<i>Ó Fearghail, Seán.</i>
<i>Kyne, Seán.</i>	<i>Ó Snodaigh, Aengus.</i>
<i>Lynch, Kathleen.</i>	<i>O'Brien, Jonathan.</i>
<i>Lyons, John.</i>	<i>O'Dea, Willie.</i>
<i>McFadden, Gabrielle.</i>	<i>O'Sullivan, Maureen.</i>
<i>McGinley, Dinny.</i>	<i>Ross, Shane.</i>
<i>McHugh, Joe.</i>	<i>Shortall, Róisín.</i>
<i>Maloney, Eamonn.</i>	<i>Smith, Brendan.</i>
<i>Mitchell O'Connor, Mary.</i>	<i>Stanley, Brian.</i>
<i>Mulherin, Michelle.</i>	<i>Troy, Robert.</i>
<i>Murphy, Dara.</i>	<i>Wallace, Mick.</i>
<i>Nash, Gerald.</i>	
<i>Neville, Dan.</i>	
<i>Nolan, Derek.</i>	
<i>Noonan, Michael.</i>	

<i>Ó Ríordáin, Aodhán.</i>	
<i>O'Dowd, Fergus.</i>	
<i>O'Mahony, John.</i>	
<i>O'Reilly, Joe.</i>	
<i>Penrose, Willie.</i>	
<i>Perry, John.</i>	
<i>Phelan, Ann.</i>	
<i>Rabbitte, Pat.</i>	
<i>Reilly, James.</i>	
<i>Ryan, Brendan.</i>	
<i>Shatter, Alan.</i>	
<i>Spring, Arthur.</i>	
<i>Stagg, Emmet.</i>	
<i>Stanton, David.</i>	
<i>Timmins, Billy.</i>	
<i>Twomey, Liam.</i>	
<i>Varadkar, Leo.</i>	
<i>Wall, Jack.</i>	
<i>White, Alex.</i>	

Tellers: Tá, Deputies Paul Kehoe and Emmet Stagg; Níl, Deputies Seán Ó Feargháil and Dessie Ellis.

Question declared carried.

Topical Issue Debate

Tourism Promotion

Deputy Charlie McConalogue: I thank the Ceann Comhairle for selecting this Topical Issue, and the Minister for Transport, Tourism and Sport, Deputy Paschal Donohoe, for coming to the House to address the topic. I hope the Minister can give us a positive update today on the potential for investment by Bord Fáilte in tourism facilities on Malin Head. While the role of distributing investment is primarily for Bord Fáilte, the Minister allocates funding to it. He has stood four-square behind Bord Fáilte's Wild Atlantic Way initiative. I very much welcome the initiative, the Minister's support of it and the investment that has been provided to put facilities in place in different parts of the country. I encourage the Minister to continue it through further investment.

Donegal is already seeing the benefits of the Wild Atlantic Way. There has been an increase in visitor numbers which will continue. The initiative puts forward the very real merits of Donegal's tourist product, of which people are aware. Crucial to it, as the Minister knows, is ensuring the facilities are in place to match the concept. While we have the natural landscape, the people and the businesses that are willing to tap into it, we need the tourist infrastructure to

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be put in place. County Donegal is fortunate to have three of the 15 signature points along the Wild Atlantic Way, namely, the Slieve League cliffs, Fanad Head lighthouse and Malin Head. The county also has 30 of the 150 way points on the Wild Atlantic Way. Overall, Donegal has approximately one fifth of the signature points and way points of the Wild Atlantic Way. There has recently been investment in the Slieve League cliffs. There has also been a very welcome investment in Fanad Head lighthouse, where accommodation is due to open after investment through the Commissioners of Irish Lights working with Donegal County Council and Bord Fáilte. More investment needs to be allocated there to finish the product and deliver toilet and reception facilities there. I commend the participants for the progress made there.

However, today I wish to talk about Malin Head. The local community has been working very hard, along with Donegal County Council and its director of services, Michael Heaney, and Bord Fáilte through Joan Crawford in the county, on putting in place plans which can be brought forward. I commend the local councillor, Martin McDermott, who has worked very hard on this, along with Malin Head Community Association and the Malin Head working group under the auspices of Inishowen Development Partnership, IDP, which, along with the Loughs Agency, has already invested in phase one development at Malin Head, which includes walkways and a viewing platform. Today, I am asking the Minister for an update on funding for phase two, to include toilet facilities, of which there are none, and parking for buses and cars. Donegal County Council approved planning permission for the initiative last Monday and the way is clear for Bord Fáilte to come forward with funding. If it does so, work can begin very promptly. I hope the Minister will have some positive news for us today.

Minister for Transport, Tourism and Sport (Deputy Paschal Donohoe): I thank the Deputy for raising the matter. The Wild Atlantic Way is Ireland's first long distance touring route. It stretches along the Atlantic coast from the Deputy's county to west Cork. Funding was provided in 2014 and 2015 for capital investment for the development of the route. This funding was initially directed towards route signage and developing the 160 discovery points along the route. Last year, Fáilte Ireland and Donegal County Council completed the Wild Atlantic Way signage programme in the Inishowen area. Fáilte Ireland also worked with Donegal County Council on a programme of remedial works for Wild Atlantic Way discovery points. There are 36 of these in Donegal, including ten in Inishowen. This work is 90% complete in Donegal.

The next stage of infrastructural development which will be rolled out along the Wild Atlantic Way in 2015 is the installation of photo points and interpretation panels at all 188 discovery and embarkation points, of which there are 36 in Donegal. These panels are being fabricated and their installation will commence in Donegal in July. While the route is still being fully developed, the Wild Atlantic Way has already become a central part of our overseas promotion. That said, given how long it takes to get on the international travel map, I expect it will be this year and next before the route gets the recognition it needs and deserves among potential tourists. I am happy that the Wild Atlantic Way project will bring more overseas visitors to Donegal and in particular to Inishowen.

As the Deputy knows, Donegal is greatly renowned for its rugged coast and attractive beaches and is steeped in history and folklore. The area has something for all tastes, including walking, fishing, swimming and photography. It is also close to the splendid golf courses in Inishowen, such as Portsalon and Ballyliffin. Malin Head is a key signature point on the Wild Atlantic Way and a key stop on the route. While it is one of three signature points on the Wild Atlantic Way in Donegal, it is of the greatest importance, marking the most northerly signature point on the route and is already an iconic location.

Regarding further development of Malin Head discovery point, while my Department provides funding to Fáilte Ireland for investment in tourism projects such as the Wild Atlantic Way, it is not, as the Deputy has acknowledged, involved in developing or managing these projects. The allocation of grant funding is a matter for the board of Fáilte Ireland. However, I am aware that planning permission was granted this week for some basic facilities at Malin. I am also aware that Fáilte Ireland is working closely with Donegal County Council on the development of a more comprehensive and integrated plan that will reflect the significance of the Malin Head signature point. It is hoped this will lead to an application by Donegal County Council for funding for the development of Malin Head. In taking this development forward, both Fáilte Ireland and the council must have regard to the sensitivity of the landscape. That said, both Fáilte Ireland and I fully appreciate the need for State investment in tourist facilities at Malin Head. Fáilte Ireland regards Malin as a priority location for investment.

Deputy Charlie McConalogue: I welcome that Bord Fáilte regards Malin Head as a priority location for investment but it is crucial that there is no delay in the development of tourist facilities there. Donegal County Council is working with Bord Fáilte to deliver the project in three phases. The first phase, which involves construction of the walkways and viewing platform, is complete. Planning permission was granted this week for phase two, which will provide toilets and car parking facilities. Phase three will involve the development of an iconic destination facility at Malin Head as a major attraction for tourists.

There should be no delay in providing basic facilities for tourists, including toilets and additional parking spaces for buses and cars. Currently, there are no toilet facilities on Malin Head even though it is visited by 100,000 people every year. Work also needs to continue on the iconic project. I ask the Minister to emphasise to Bord Fáilte the importance of backing financially the phase two development. The future is bright for Malin Head and tourism in County Donegal. It is time that Malin Head took its place as one of Ireland's key tourist attractions. That will require everyone to work together. I thank the local community, Malin Head community association, Inishowen Development Partnership, local representatives and, in particular, Councillor Martin McDermott for their efforts with Donegal County Council and Bord Fáilte to progress this project. I look forward to working with the Minister and other stakeholders to develop Malin Head to its full potential.

Deputy Paschal Donohoe: I have had an opportunity to spend some time in the Deputy's county. Counties Donegal and Kerry are the two counties where one can take either fork in a road and still be on the Wild Atlantic Way. That reflects the length and comprehensive nature of the route, as well as the great work that local authorities have done to take advantage of this initiative to rejuvenate local tourism. The projects to which the Deputy refers, including the Wild Atlantic Way and the great Irish lighthouse project, are funded by the Government. We are committed to tourism and balanced regional development and want to make the most of what every part of our country has to offer.

Bord Fáilte regards further development of Malin Head as an integral part of the future of the Wild Atlantic Way in terms of being its northernmost point. The area is already a strong attraction but I think it can do even better in the years to come as part of the Wild Atlantic Way. I will discuss the points raised by the Deputy with the board of Fáilte Ireland but it I think it is already aware of the matter. I always work within the Government to secure any funding that becomes available to develop facilities of this nature.

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Road Projects Status

Deputy Brendan Griffin: I thank the Ceann Comhairle for selecting this issue and the Minister for Transport, Tourism and Sport for taking it. He has had a busy day and I am grateful that he remained in the Chamber for this discussion. As he will be aware from our previous conversations, the N22 project is vital for the south-west region. Upgrading the N22 would have major a social and economic impact for the region. My colleague, Deputy Michael Creed, who lives in Macroom, also views the project as a high priority.

I ask the Minister to treat the project as a priority for capital investment because it is badly needed in counties Cork and Kerry. The economic benefits of improving the N22 would be far-reaching for both counties. Killarney is only 50 miles from Cork but it feels like 100 miles when one is driving along the current road. It would open up a new jobs market to people living in County Kerry by making it viable to commute to Cork safely and in a timely manner. That would go a long way to solving Kerry's unemployment problem. It would also make County Kerry more easily accessible from Cork for short breaks and more attractive for investment. There would also be social benefits by, for example, making it easier to travel from County Kerry for medical treatment. It is an unfortunate feature of many people's lives that they have to travel to Cork for treatment along a road that is unsafe and difficult. Furthermore, Macroom is currently choked with traffic and a bypass would benefit the town.

In regard to safety issues, I was shocked to receive figures from the Minister for Justice and Equality which showed that 41 people lost their lives since 1990 on the stretch of road between Ballyvourney and Ovens, with a further 61 people being seriously injured. That equates to four people being killed or seriously injured every year along that section of the route. An upgraded road would be much safer.

I understand the cost of phase one of the project, which involves the section from Ballyvourney to the Cork side of Macroom, is approximately €160 million, but it has a cost-benefit rating of three plus. I commend the Minister and his predecessor, Deputy Leo Varadkar, for progressing the project in recent years in order that it is shovel ready. When we are in a position to allocate funds, I urge the Minister to do all he can to bring this project to fruition.

Deputy Paschal Donohoe: I thank the Deputy for raising this issue with me once again. He acknowledged the work that Deputy Michael Creed has done on this project. I am not being flippant when I say every time I see Deputy Brendan Griffin or Deputy Michael Creed I think of the Ballyvourney to Macroom project. Both Deputies are constantly raising the project with me. The fact that the road is not being progressed in the way the Deputies want is in no way due to a lack of advocacy or support on their part. The project is affected by the financial circumstances in which the country finds itself and which are now beginning to change. At some point in the future we will have the capacity to progress projects like this one. I am aware that the project was approved by An Bord Pleanála in 2011 and I acknowledge that it has considerable merit. In recognition of this, we have tried to find ways to keep the project active. I have allocated €5 million to the National Roads Authority to continue with land acquisition for the project to allow progress to be made if and when we get to a point where the project in its entirety is capable of progression. There is limited funding available to advance such projects, but this is the kind of project I want to see being advanced. I am very much aware of its regional importance, apart from the benefit to the Deputy's county and constituency which I have had an opportunity to visit with both the Deputy and the Minister of State, Deputy Jimmy Deenihan.

The Deputy made me aware of how important the project was. I have travelled the route privately and I am aware of the acute need for the project.

The Deputy referred to collision cluster statistics for accident black spots. He has mentioned information that has emerged from the National Roads Authority which has analysed collision data for the past three years. This is called the network safety ranking and covered by the authority in compliance with the EU road infrastructure safety management directive. The national road network is broken up in 1 km stretches. The number of collisions involving injury on each 1 km stretch of road is identified, with traffic volumes on that stretch of road. An average collision rate is then calculated. Any section of road which is twice above the average collision rate and on which there are three or more collisions in a three-year period is identified as a collision cluster site. Using this methodology, the authority has identified between 150 and 200 such sites which meet the criteria on an annual basis. These sites are examined by NRA road safety engineers in consultation with the local authorities. The issues involved are broken up and dealt with under the headings of engineering, enforcement and education. The sites on which there is a potential engineering solution are examined further by the local authorities.

That is the background to the information mentioned by the Deputy. I acknowledge his persistent representations on behalf of the project, as well as those of Deputy Michael Creed. While I am not in a position to advance the project in its entirety, my Department is trying to find ways to keep the project active in order that it can be progressed when national circumstances improve.

Deputy Brendan Griffin: I thank the Minister for his reply. It is fitting that the Minister for Health, Deputy Leo Varadkar, is also present. I thank both Ministers for devoting time and attention to this project in recent years. As the Minister, Deputy Paschal Donohoe, knows, it is crucially important for the reasons I have outlined. It needs to be seen as a priority on the national list. The economic benefits during the construction phase would be enormous. Like so many other parts of the country, counties Kerry and Cork have been hit by the recession and by the effects of the construction crash in particular. If the project were to progress, the construction jobs would be invaluable in the area and provide a massive stimulus in the Cork-Kerry region. If the opportunity arises, I ask the Minister to do everything he can to ensure the project will be considered for funding. The new N22 Cork-Kerry road should be prioritised. It would create and help to sustain jobs. In addition, it would be an economic game-changer in the Kerry south and Cork north-west region. It would benefit this and future generations and I am sure also lead to lives being saved also.

Deputy Paschal Donohoe: As I said, I absolutely acknowledge the need for the project. I also recognise the work the Deputy has put into progressing it. From the funds available to my Department, we have provided €5 million to try to ensure a way is found to keep the project active. That has led to the acquisition of land this year. I am working hard within the Government to try to secure a commitment to provide capital funding in the future. My overall priority is to maintain the roads we have which are under intense pressure because the maintenance budget has been cut in response to challenges the Government and the country have had to face. I hope as circumstances improve such projects can progress. I will certainly continue to do all I can to push the project.

28 May 2015

Ambulance Service Provision

Deputy Frank Feighan: As a Government party Deputy, I have delivered on my promise to secure the future of Roscommon County Hospital through the roll-out of a substantial investment programme totalling €20 million. We can see the hard evidence in the state-of-the-art endoscopy unit set to be built by the summer and operational by September. When completed, the 14,000 sq. ft. unit will become a diagnostic centre for the western region and facilitate a range of scope procedures, including colonoscopies, for patients. It is also hoped the service will be widened to offer bronchoscopy, cystoscopy and a range of other scope services.

Apart from a range of new development services introduced at the hospital, I am continuing to work hard to progress the other two major capital developments - a 20-bed medical rehabilitation unit and a palliative care centre on the grounds of Roscommon County Hospital. I am delighted that only in the last week almost €8 million has been ring-fenced for the construction of the rehabilitation unit which will operate as a satellite centre for the National Rehabilitation Hospital in Dún Laoghaire to relieve pressure on existing services and waiting times. It will also allow patients to be treated in their own community.

The introduction of the air ambulance service in the summer of 2012 has resulted in many lives being saved. In County Roscommon alone, one emergency a week has been dealt with since the service commenced operations almost two years ago. I am delighted by the great reaction of staff and management who understand these developments have safeguarded the future of Roscommon County Hospital. In the past four years I have attended hundreds of meetings about the hospital. Through sheer persistence, I have succeeded in securing a multi-million euro investment programme to develop and extend a range of services on an enhanced hospital campus. I assured staff in the hospital at all times that their jobs were safe and this multi-faceted investment confirms it. There is capacity in the hospital; the theatres are in place and excellent staff are available.

Like all smaller hospitals in the country, Roscommon County Hospital has a future in serving the community as part of a wider hospital network. It ensures patients who require specialist and complex care receive it in the most appropriate setting, while allowing the majority of patients to be diagnosed and treated locally. However, the fight goes on to improve the ambulance service for the county and clear challenges remain. A new ambulance base is planned for Loughglynn in west Roscommon. Despite continuous pressure on the HSE to advance work on this facility, I am disappointed that it is still not operational. The HSE has simply not delivered in ensuring the ambulance black spot in west Roscommon will be addressed; therefore, I am asking the Minister to expedite the matter. The OPW has agreed a five-year lease with the National Ambulance Service to use the former Garda station in Loughglynn as a regional ambulance base. A year and a half ago Roscommon County Council gave the go-ahead for its development. However, it seems that there has been very little progress on the project since. What is even more disappointing is that the timeline was for the base to be operational last summer.

6 o'clock

Last year, in correspondence with the then Minister of Health, Deputy James Reilly, I highlighted the position on the ambulance service in County Roscommon. I made clear the importance of ensuring a sufficient level of ambulance cover across the county. The ambulance base in Loughglynn will be a vital facility for communities in west Roscommon and east Mayo.

It will significantly help to improve the emergency response time in areas that heretofore were ambulance black spots. There is a need to progress the Loughglynn ambulance base and address issues around the entire ambulance service in the county. That must be an absolute priority for all stakeholders. The future of Roscommon hospital is undoubtedly safe and patients are safer but it is imperative that improvements in the ambulance service can be expedited as a matter of urgency.

Minister for Health (Deputy Leo Varadkar): I thank the Deputy for raising this issue. I am very pleased to outline the current developments in pre-hospital services, both nationally and in Roscommon. The national ambulance service is working to ensure high-quality and timely emergency pre-hospital care, using all available resources as effectively and as efficiently as possible. As with any pre-hospital service, development and modernisation is a continuous process, as technology and clinical standards change. A significant and ongoing reform programme has been under way in recent years. In 2015 an additional €5.4 million has been provided to improve technology and clinical audit and to address service gaps, particularly in the west.

It is important to acknowledge that progress is being made. The single national control system, now almost fully operational, is improving our control and dispatch performance. We are continuing to develop the intermediate care service, ICS, which transports patients between facilities, thus allowing emergency vehicles to focus on emergency calls. The ICS now carries three quarters of the non-emergency workload. We are also moving to more efficient on-duty rostering and developing a national rostering system, with 50 additional paramedics being allocated in the west this year to achieve this.

Services in Roscommon have been enhanced significantly since 2011. Roscommon town currently has three emergency ambulances during the day and two at night, as well as a 24/7 rapid response vehicle crewed by an advanced paramedic. It is important to say that we are changing our model of service delivery. We are moving away from the model of care where services are provided locally from a fixed ambulance base in that area and we are moving towards dynamic deployment, where all resources are deployed as a fleet across a region. Within the wider region, the Roscommon area is supported from the north by Boyle and Carrick-on-Shannon, from the east by Longford and Mullingar and from the south by Athlone. New service capacity in Tuam and Mulranny stations will enhance the coverage across north Galway, west Roscommon and east Mayo.

The Deputy will be pleased to know that refurbishment of the ambulance station in Loughglynn, where ambulances can be based during shifts, is now complete and staffing issues are being progressed. The ambulance service expects the station will be operational in the coming months. For Roscommon and the surrounding region, we also have the emergency aeromedical service, EAS, based in Athlone. The EAS allows swift transfers of seriously ill or injured patients to the most appropriate hospital. Over 1,000 missions have been completed since it began in June 2012. Counties Roscommon and Mayo have among the highest numbers of EAS transfers.

These are all significant achievements but we intend further improve the service. In the next few months I expect to receive the independent capacity review to determine current and future service needs. Areas being examined include staff numbers and skill mix, as well as resources and deployment locations. I am confident these reforms and reviews will lead to further improvements in our pre-hospital emergency care services to the benefit of the people of Roscom-

mon and the rest of Ireland.

Deputy Frank Feighan: I thank the Minister for his response. What has gone on in the area has been incredible. The emergency aeromedical service is doing sorties every day and at every Gaelic football pitch, local field or by the side of a road, the service has undoubtedly saved many lives. At one time if a person was in an accident or had a cardiac arrest, he or she would be brought by ambulance to an accident and emergency department to be stabilised before being brought to another accident and emergency department. We are now able to utilise services and modern communications in this way.

This issue has gone on for a long time, but I am not blaming the fact that sometimes more funding is required. Have elements been agreed under the Haddington Road agreement or is there some issue of staff refusing to go to Loughglynn? I have raised the matter on many occasions and I am very concerned about the safety of patients in the Castlerea, Ballaghaderreen, Loughglynn and Ballyhaunis areas. As I stated, when I became involved with politics, I was often told that the fight is never what the fight is about. Now is the time to get all the stakeholders together, including members of the ambulance service, personnel from the HSE and the unions in order to try to address this very difficult issue. For too long, there has not been a service in west Roscommon and for too long I have been the Deputy bringing this to people's attention. We have delivered the ambulance service but I want the ambulance base to be staffed by personnel in the area. Will the Minister ensure that he brings on board all the stakeholders in order that we can try, once and for all, to get through this logjam that is effectively stopping an ambulance service in west Roscommon? The people of west Roscommon want and deserve it, and they will be much safer when the ambulance base is open in Loughglynn.

Deputy Leo Varadkar: I am not *au fait* with the details of the staffing arrangements for that particular ambulance base and those matters are dealt with by the director of the national ambulance service and his team. Under the Haddington Road agreement, any public servant can be redeployed to a new site within 40 km of a previous base. Those rules apply to all public servants and it certainly would not be possible to make exceptions for any one group or county. That is not being proposed. The base has been renovated and the national ambulance service and I are very keen to get it open. We will do anything we can within the rules to do so.

I echo the Deputy's comments about the air ambulance service, which has been an enormous success. He is absolutely right as in the past, an ambulance would have come to a person's house, picked him or her up and treatment would have started in a local accident and emergency department. Often, a patient had to be transferred to another department, leading to a delay in treatment. Treatment now begins in the back of the ambulance, which would be staffed by paramedics or advanced paramedics. Where needed, a patient may be taken by helicopter to a specialist centre right away, thereby cutting out the kinds of delay that occurred in the past. This is much better for patient survival and mortality rates.

Credit Availability

Deputy Eamonn Maloney: I thank the Minister for his presence for this Topical Issue. I presume he is familiar with the report carried by the UCD Geary Institute, published a week or so ago, under the title Creating Credit, Not Debt. Essentially, it is about the idea of moving towards a personal micro-loan scheme in Ireland. It is a very impressive blueprint and a very valuable piece of work that focuses very much on the position in which many working families

find themselves as we crawl out of this recession. In some cases, nobody is working in these families and, in other cases, there may be one or two people working on low wages.

Most of us in the House are familiar with how people have been “set aside”, for want of a better term, because of what happened in the recession. With many working or poorer people, access to banking institutions no longer exists and people who heretofore would have had bank accounts may not necessarily still have them. They are in a precarious position when they require some borrowing requirement, as most people do at one stage or another in life. This could be as small as €100 or as large as €1,000 or €2,000. One of the highlights of the report should be a concern for all of us, and it came about because of what happened as a result of the recession. I supported section 35 of the credit union legislation as there was a necessity for it at the time. We all appreciate this, given the position some of the credit unions were in. However, we are now in a situation where a lot of poor people who had no access to banks find credit unions face restrictions in providing emergency loans. There is a staggering figure of 360,000 people who are borrowing from moneylenders, the highest number in the history of the State. This research presents an opportunity for the Minister and his Department. If it is not the ideal solution, it can be tweaked. We can come up with a solution that will take the poorest people away from moneylenders.

Minister for Finance (Deputy Michael Noonan): I thank the Deputy for raising this important issue. He is referring to the report published last week entitled, *Creating Credit, not Debt*, by Mr. Georges Gloukoviezoff, UCD Geary Institute for Public Policy. It was jointly funded by the Social Finance Foundation and the Central Bank of Ireland. It proposes the establishment of a new personal micro-loan service, operated through the credit union movement, to assist people who have no access to loan finance through current mainstream banking and credit union loans. Access throughout the country to appropriate credit is a very important issue, one that the Government has worked hard to address. It has focused, in particular, on access by SMEs to micro-credit, including through the establishment of Microfinance Ireland. Microfinance Ireland is making it easier for businesses to start up, expand, succeed and create jobs by lending through the microenterprise loan fund which is targeted at start-up or growing microenterprises across all industry sectors. Such initiatives are bearing fruit, impacting on real jobs and providing vital support for business people and their families who are entrepreneurs. My colleague, the Minister of State with responsibility for business and employment, Deputy Gerald Nash, recently announced a revised scheme to allow more businesses to avail of this initiative.

Of course, there are also issues for families accessing appropriate levels of credit, many of whom are dependent on moneylenders at times of need. That is why the report is an important addition to the debate. It provides useful material on how a scheme could work and presents examples of such schemes in other countries. In considering the issue care must be taken that this is done in a way that addresses the real needs of those concerned, does not inadvertently pull people into further debt and does not expose financial institutions such as credit unions to unsustainable risk. It is a key issue with availability of any credit that the risk is appropriately assessed. On a number of occasions I have highlighted the Government’s recognition of the important role of credit unions as a volunteer co-operative movement and also the importance of getting lending going in the economy. However, the issue of lending must be constructively considered in order to ensure a viable credit union sector into the future. As Minister for Finance, my role is to ensure the legal framework for credit unions is appropriate for the effective operation and supervision of credit unions, while the registrar of credit unions at the Central

Bank is responsible for administering the system of regulation and supervision of credit unions. The registrar has recently highlighted that while the valuable role of credit unions within their communities and, of course, the demand for credit from many members are fully accepted, it is important from a regulatory perspective that credit unions are prudent in how they lend money, particularly as it is the money of the saving members of credit unions that is ultimately lent to borrowing members. Ensuring these borrowers can repay is paramount in the protection of those savings.

Credit unions are undergoing a period of significant change with the implementation of new legislation and regulations and restructuring within the sector. The Government recognises that credit unions have played and continue to play a crucial and prominent role in meeting the financial, economic and social needs of communities. While credit unions have shown a willingness to embrace change, while staying true to their core values, the safety of members' savings and the security of the credit union sector as a whole remain priorities for the Government. The financial system in Ireland has undergone much change in recent years and we want to ensure all of society has access to the system. Tackling financial exclusion is essential. One element of this is access to banking facilities. In this context, my Department is looking at the development of a basic bank account. This will be featured in the transposition of the payment accounts directive which must be completed by September 2016. The report from the Geary Institute for Public Policy at UCD is another useful addition to the debate on the best strategies to tackle financial exclusion. I note that the Citizens Information Board and the Social Finance Foundation both commented on the value of the report and I expect that there will be further work on the issue in the coming months. My Department will obviously carefully consider any proposal made.

Deputy Eamonn Maloney: I am encouraged by the Minister's closing remarks to the effect that his Department will evaluate the report. Perhaps we might have a solution to this very serious problem as an outcome of it. I acknowledge that the Minister has previously praised the credit union movement in Ireland, which he was quite right to do. This has been widely acknowledged by the credit union movement. There are five separate credit union branches in my constituency and I keep communications open with them. As parliamentarians, we all accept the need for regulation and section 35. However, I hope I am not misquoting the Minister when I recall that at one stage he said he would consider a review of the section as the economic climate changed. I hope I am right in saying this. That is why I am encouraged by his final remarks and hope something will come out of this. We must take people away from loan sharks. It is not specifically an urban problem; it is widespread in rural Ireland where families also fall to the mercy of moneylenders. I go back to the point that within the scope of the research there is an opportunity for the Department to operate within the parameters of such a scheme to solve the problem. The number of people I cited is phenomenal and the issue is causing a great deal of misery for many poor working families. As legislators, we should work to ease the pressures they are under. I thank the Minister for taking this matter and look forward to something more substantial emerging in the next couple of months to initiate something in this field.

Deputy Michael Noonan: I again thank the Deputy. The report was jointly funded by the Social Finance Foundation and the Central Bank of Ireland. As the foundation is not widely known, I note that it is a wholesale lender of social finance, providing finance for social lending organisations in order that they, in turn, can lend to borrowers seeking funding primarily for the purposes of community development and social enterprise. I assume that both the Central Bank of Ireland and the Social Finance Foundation will examine the report. I would welcome

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any proposal they might wish to make arising from it.

The Dáil adjourned at 6.20 p.m. until 2 p.m. on Tuesday, 9 June 2015.