



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

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DÁIL ÉIREANN

Dé Céadaoin, 18 Samhain 2015

Wednesday, 18 November 2015

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

Paidir.

Prayer.

Ceisteanna - Questions

Priority Questions

Mortgage Lending

1. **Deputy Michael McGrath** asked the Minister for Finance if he has asked the Central Bank of Ireland to carry out a review of residential mortgage lending rules; his views on the apparent inability of first-time buyers to obtain a mortgage, despite evidence of repayment capacity; if he is aware of the difficulties of families seeking to trade up to a property more suited to their circumstances; and if he will make a statement on the matter. [40509/15]

Deputy Michael McGrath: I raise with the Minister the new Central Bank rules on deposits for mortgages. In particular, I want to ask him if he has asked the Central Bank to review the operation and impact of these macro-prudential rules which are undoubtedly having a significant impact on the ability of first-time buyers to purchase a home and of many families who are currently in an unsuitable dwelling or apartment to trade up because they are now subject to the full 20% rule. Both the Minister for Finance and the Minister for the Environment, Community and Local Government, Deputy Kelly, have made adverse comments on these rules and I would like to know if the Minister has requested the Central Bank to conduct a review of these new mortgage deposit rules.

Minister for Finance (Deputy Michael Noonan): The Central Bank of Ireland, in line with its mandate to safeguard financial stability, has put in place new macro-prudential measures for residential mortgage lending effective from last February. These measures apply proportionate loan-to-value and loan-to-income limits to mortgage lending by regulated financial service providers in the Irish market. The key objective of these measures is to increase the resilience of the banking and household sectors to the property market and to reduce the risk of bank credit

and house price spirals from developing in the future. This is of particular significance for Ireland given that mortgage lending constitutes a large part of overall bank lending.

In its submission to the public consultation process undertaken by the Central Bank on its proposals last year, my Department recognised that there was a sound rationale for the introduction of macro-prudential measures in Ireland but also indicated that it would be appropriate to keep the particular measures as adopted under review from time to time. Certain other issues such as the particular position of first-time buyers were also referenced. While the Central Bank is independent in the setting of such macro prudential measures, these points were recognised by the bank. As the Deputy will be aware, the Central Bank allowed a higher loan to value threshold of 90% for first-time buyers of properties valued up to €220,000 and it also indicated that it would monitor the impact of the implemented measures on an ongoing basis, in particular with regard to achieving the stated objectives of the measures and monitoring any unintended consequences.

At official level, my Department and the Central Bank have a close working relationship on all areas of mutual interest, including that of macro-prudential policy. In addition, I maintained close contact with the outgoing Governor and I look forward to also liaising closely with the incoming Governor. I fully respect the independence of the Central Bank to set macro-prudential policy in the best interest of overall financial stability. The Central Bank has indicated that it is actively monitoring the impact of the new measures on an ongoing basis.

Deputy Michael McGrath: Just to be clear, I also fully respect the independence of the Central Bank but that does not take from my right as a public representative to take a view on these measures. In reality, the Department of Finance is in very close contact on a day-to-day basis with the Central Bank. I am not advocating in any sense a return to the type of lending we had in the past. I believe there should be a minimum deposit requirement and that around 10% is appropriate. I also believe that mortgage applications should be very stringently stress tested and the capacity to repay the loan should be the primary determinant of whether a mortgage is sanctioned. That said, the Minister cannot take away from the fact that these measures will have a very significant social impact. Home ownership levels are certainly going to fall. These rules have put home ownership beyond the reach of many, despite their ability to repay a mortgage. People who are paying enormous rents at the moment cannot save and simply will not be able to get a mortgage. Equally, we have thousands of families now trapped in apartments and other unsuitable accommodation from which they need to move. They will require a full 20% deposit in respect of the purchase price of any new home.

Reading between the lines, it seems the Minister is not very happy with these rules but he has not done anything about it as far as I can see. Is he satisfied with these rules being in place and with the fact the Central Bank says it is actively monitoring their effect? Does he intend to go further and does he have the power to seek a formal review of these rules and their impact?

Deputy Michael Noonan: Deputy McGrath's allegation that I am not going to do anything about it suggests that he does not fully understand the statutory position of the Central Bank-----

Deputy Michael McGrath: I do.

Deputy Michael Noonan: -----and that it is independent in the exercise of its functions.

These rules were introduced last February and only apply to mortgages that were sought and approved since then, so there is a limited amount of data available. The bank usually reviews

these things on an ongoing basis. It is not a question of one review. It monitors the data to determine the effect of measures such as these.

Recent data published by the Banking and Payments Federation Ireland indicate that residential mortgage lending in the nine months to the end of September amounted to €3.4 billion, which was 35% higher than the same period last year. The data also show that the value of drawdowns by first-time buyers in the third quarter was at its highest level this year. The data coming through do not suggest that the macro-prudential rules have stopped the flow of mortgages. The value of mortgages since the rules were introduced has actually risen by 35% and the third quarter of this year was the strongest quarter for the issuing of mortgages.

I would expect the Central Bank to monitor the data on an ongoing basis and we will see where they land. These things are very difficult because there are risks on both sides, as the Deputy pointed out. The Central Bank has the statutory authority to deal with this.

Deputy Michael McGrath: While the data indicate that mortgage lending is picking up, it is coming from a position where it had collapsed completely. As the Minister has also pointed out on many occasions, percentage based statistics can be very misleading. The level of mortgage lending is exceptionally low. From my daily dealings with constituents, it is clear that their ability to access a mortgage has been severely hampered. The recent changes introduced by the Central Bank are a form of social engineering which will place home ownership beyond the reach of thousands of families. Perhaps this is a strategy or vision for the future. People who have married or had a couple of children since moving into an apartment and wish to move into a more suitable home are trapped because they will not be able to meet the new requirements. The Central Bank has provided limited leeway for the banks to extend mortgages outside the rules but feedback suggests this leeway has been exhausted and that the banks are not in a position to lend new mortgages outside the strict rules in place. I ask the Minister to acknowledge that the Central Bank's rules for mortgage lending are having an impact. As far as I can discern, its primary motivation has been to protect the banks and give them an additional buffer in the event of property prices falling, loans entering arrears and repossessions taking place. While the new rules protect the balance sheets of the banks, they are not in the interests of ordinary people who have a legitimate aspiration to own their own home.

Deputy Michael Noonan: Again, I thank the Deputy for his intervention. The 35% increase in mortgage lending to date this year is not only a big increase from a low base, as I indicated, at €3.4 billion, it also amounts to a good wedge of money going into mortgages. If the figure is increasing at a rate of more than 30%, it will, over a few years, return to a significant amount.

The Deputy ascribes all sorts of motive to the Central Bank. The Central Bank has placed on record the reasons for its decision to introduce new lending rules. Housing prices, particularly in Dublin, were escalating rapidly at the time and the position looked a little scary just after Christmas last year.

Deputy Michael McGrath: The problem is a lack of supply.

Deputy Michael Noonan: There was also considerable commentary in the newspapers suggesting we were heading straight back to a housing spiral, which would result in inflated housing prices, more people being in negative equity and another bust.

Deputy Michael McGrath: Homes are not being built.

Deputy Michael Noonan: “Housing bubble” is the phrase that is usually used in this context. Whether the Central Bank was right or wrong, there is no argument about the reasons it intervened. It did so because it feared another housing bubble which would lead to an economic collapse. My position is that it constantly collects data and is engaged in an ongoing review of the matter. If it believes the rules need to be modulated, I am sure it will act. However, the rules have not yet been in place for 12 months and a period of at least 12 months is needed to determine the effects of the measures.

Mortgage Arrears Proposals

2. **Deputy Pearse Doherty** asked the Minister for Finance his plans for additional measures to tackle the ongoing mortgage crisis and the repossession crisis, including through legislative and policy changes. [40616/15]

Deputy Pearse Doherty: I object in the strongest possible terms to the decision to rule out of order a number of questions my colleagues and I had tabled to the Minister. It makes a farce of the House that elected Members are being prevented from asking him questions related to the ongoing IBRC investigation, including the role played by the Department and when the Minister became aware of the difficulties. He can step out on the Plinth and anyone with a membership card for the National Union of Journalists or media accreditation can ask him the same questions, while democratically elected Deputies are not entitled to ask them in the Chamber. The rules are an absolute farce and members of the public see them as such.

My question asks what additional measures, including legislative and policy changes, the Minister plans to introduce to tackle the ongoing housing and repossession crises. This issue has not gone away, despite the fact that we are in the dying days of the Government’s term in office. What, if anything, does it intend to do to deal with the crises?

Deputy Michael Noonan: On the Deputy’s first point, neither I nor the Department rules any question out of order. Questions are ruled out of order by the Ceann Comhairle on the advice of his office.

The Government has made significant efforts to deal with the issue of mortgage arrears. Central Bank data for the second quarter of 2015 which were published on 2 September show just how much progress has been made. The number of principal dwelling home mortgages in arrears continued to fall in the quarter, marking the eighth consecutive quarter of decline and a 22% reduction since the second quarter of 2014. In addition, the Central Bank data show the impact made when borrowers engage with their lenders. Almost 120,000 principal dwelling home mortgages were classified as restructured at the end of the second quarter of 2015, meaning that families can, by working with their financial institutions, find a mechanism to make their mortgage commitments affordable. Of the restructured accounts, more than 86% were deemed to be meeting the terms of their current restructure arrangement.

The Deputy will be aware of the code of conduct on mortgage arrears which provides a strong consumer protection framework for cooperating borrowers to ensure they are treated in a fair and transparent manner by their lenders. Last May the Government also announced further measures to help indebted borrowers and increase awareness of and access to the insolvency framework. Building on action previously taken, the measures include the reform of the personal insolvency framework to give the courts the power to review and, where appropriate,

approve insolvency deals that have been rejected by creditors. I understand my colleague, the Minister for Justice and Equality, Deputy Frances Fitzgerald, expects to sign a commencement order later this week to bring the court review provisions of the Personal Insolvency (Amendment) Act 2015 into effect.

In addition, the role of the Money Advice & Budgeting Service, MABS, has been enhanced. Representatives of MABS and the Insolvency Service of Ireland are now present at court sessions to offer support and advice to borrowers who are the subject of repossession proceedings.

Deputy Pearse Doherty: I am not sure if the Minister is aware of this, but the crisis has not gone away. In the dying months of the Government's term of office, 98,137 people are in mortgage arrears. Croke Park could not hold the principal of all of the households where the mortgage on the family home is in arrears. Reports indicate that 4,440 requests for repossession were made to the Courts Service in the first nine months of 2015, of which 3,638 were related to family homes. The number of repossession orders granted is also increasing. In 2013 the figure stood at 244. By 2014 it had increased to 644 and for first nine months of 2015 stood at 1,088. These figures reflect an increase of more than 400% in two years and refer solely to orders that have been granted. Individuals and families have also been pressed to sign on the dotted line, thereby surrendering their homes voluntarily because they do not have any other option. The weakening by the Government of the code of conduct on mortgage arrears and its introduction of repossession provisions within the framework of the Land and Conveyancing Law Reform Act allow the banks to do what they are doing. What does the Minister propose to do to protect the 3,638 individuals who have their cases before the courts knocked back every so often and are in fear of losing their family homes? What does he propose to do to protect the 98,000 families who are in mortgage arrears?

Deputy Michael Noonan: I thank the Deputy for raising this issue. I fully agree that the position was little short of a disaster. The Government of the day decided that the sole engine of growth in the economy would be construction and development. It incentivised construction activity through an assortment of tax breaks. People paid too much for buy-to-let properties and domestic homes. There was no connection between the real economy and the amount of money paid for houses and people got into dreadful difficulty. This was not the fault of purchasers. If a couple with two children living in an apartment need a house, circumstances force them into paying the going rate. Nobody ever suggested this problem would be solved quickly. However, 120,000 mortgages have been restructured and 86% of the people involved are complying with the terms of the restructuring arrangements. We move on.

During a debate on this issue some months ago - I believe it was before the summer recess - Deputies predicted that thousands of evictions would take place. They have not materialised, although many cases are before the courts and subject to continuing adjournment. In that regard, the Minister for Justice and Equality is signing the order to give effect to the provisions of the Personal Insolvency (Amendment) Act 2015. The representatives of MABS are attending in the courts. MABS is advising people who are before the courts to avail of the new insolvency arrangements and to come to an agreement through insolvency law. That is the latest development. The Minister will have it in place within the week.

Deputy Pearse Doherty: There have been thousands of evictions. As I said to the Minister, a total of 1,088 orders were granted in the first nine months of this year, and the number is going to increase. Let us be clear about it: this figure is going to increase before the end of the year.

The Minister is probably the only person in the House who believes that voluntary surrenders are indeed voluntary. Voluntary surrender amounts to the banks saying to mortgage holders that they should sign up and hand over the house or else the bank will take them to court, take the houses from them anyway and they will have other bills on top of everything else in future. That is what voluntary surrender is about. There is no question of giving up the family home being the best option for families. Thousands of people are losing family homes and the number is increasing dramatically. There has been a 400% increase in the past four years.

The Minister's analysis in terms of how we got here is grand. The question is what we are going to do now for these families. For example, in June 2012, the Minister introduced the approved housing body mortgage-to-rent scheme, a scheme that was supposed to solve many of the problems. Since then, only 119 households have availed of the scheme. That amounts to a little over 0.1% of all families in mortgage arrears at the moment.

These issues can be addressed. The Joint Committee on Finance, Public Expenditure and Reform produced a report in June 2014 with numerous recommendations. How many of these recommendations has the Minister introduced? I welcome the fact that the Government will reduce the bankruptcy term from three years to one year. However, we have taken the Government kicking, dragging and screaming to the reality that this needs to be done. Again, it will be done before the end of the year. There is no urgency to deal with these families in severe mortgage difficulty who are looking for the Government to assist them. The Government continues to assist only the banks in this regard.

Deputy Michael Noonan: Everyone agrees this is a very difficult problem. It almost looked as if it was intractable at the start of our period in government. However, because we assessed the situation and provided a menu of possible solutions for restructuring mortgages, it has worked pretty well. A total of 120,000 mortgages have been restructured, which is well beyond the halfway point of mortgages in arrears. We can see the progress being made in new structuring month by month. During the past five or six months, we have begun to see an end in sight. Some of the measures have been suggested by Members while others have come from outside advisers. However, the last bloc causing concern in this House was the issue of evictions and repossession orders.

Some Members have met Mr. Brendan Burgess. I read an article by him in the newspaper last week. He wrote of how he had heard there were strange practices among the courts in the midlands and he went to see for himself. It is an interesting article. He said there were four repossession orders but three of them were for houses that had been abandoned. The people had emigrated and there was no track of them. They were not represented in court and they did not appear in court.

What we have done now is provide an alternative. In the next week, there will be a legal alternative to repossession. At the moment, it is informal. Judges do not want to give repossession orders and the banks do not want to press. However, there will now be a route, with the advice of MABS, through the new insolvency arrangements in order that new arrangements can be arrived at, this time, through insolvency law.

An Leas-Cheann Comhairle: Before I call the next question, I wish to clarify a point. Deputy Doherty raised an issue. If the Ceann Comhairle or I rule out questions, it is because they do not comply with Standing Orders. That has to be taken up with another committee of the House.

Corporation Tax Regime

3. **Deputy Shane Ross** asked the Minister for Finance the reason for the spike in corporation tax receipts and the over-performance of €800 million from this source of revenue; if the increase comes from the multinational sector; if he will provide a breakdown of the increase into one-off factors, early payments and delayed rebates and repayments; the timing factors that were involved; the proportion of the increase that was due to improved trading factors; if a single multinational re-booking profits to its Irish division was a significant factor in the unexpected rise; and if he will make a statement on the matter. [40399/15]

Deputy Shane Ross: I want to raise the issue of the surge in corporate tax returns at the end of October. The Minister will be aware that the income tax and VAT returns were a little below expectations but the corporate tax returns were far above. Can we have an explanation from the Minister for the over-performance of corporate tax? Can the Minister tell us whether this comes from the multinational sector or whether it is the result of one-off returns or trading activity?

Deputy Michael Noonan: The question referred specifically to performance in the month of October. Corporation tax receipts finished the month €806 million ahead of target. A negative amount of €3 million had been profiled in respect of corporation tax receipts in October 2015 because the Revenue Commissioners had forecast repayments of approximately €200 million that would have offset the forecasted level of collection. However, these repayments, which had been identified to the Revenue Commissioners when the monthly profiles were being prepared, did not materialise as expected. This accounts for more than €200 million of the strong over-performance recorded in October. In addition there were also unexpected payments amounting to €350 million from a number of large companies due to better trading conditions while a number of payments totalling €200 million that had been expected in November and December were received in October.

In the year to date, performance in corporation tax receipts has been unexpectedly strong. At the end of October, cumulative receipts amounted to €2 billion or a little under 75% higher than expected and up to €1.8 billion or over 60% year-on-year. I am advised by the Revenue Commissioners that the over-performance is a result of a combination of reasons. For example, approximately half of the €2 billion surplus against profile is attributable to a small number of large multinational companies. The companies involved have advised the Revenue Commissioners that the strong performance in 2015 is primarily associated with improved trading conditions. There are also some positive currency effects but these are not substantial in overall terms. In addition, there are also timing factors. For example, as I have already stated, a number of payments profiled for November and December were received early and a number of large repayments that were scheduled for October are still outstanding. In addition, there were a number of one-off payments amounting to €170 million. As the Deputy may be aware, approximately 80% of corporation tax receipts are received from the multinational sector, with the top ten tax paying groups accounting for more than one third of total corporation tax receipts.

Deputy Shane Ross: I thank the Minister for his reply. I am a little puzzled by some of the balance. I gather €550 million was explained. A large amount of this was described as the result of better trading conditions. Does that include a single payment from a multinational that has adjusted its profits somewhat dramatically in recent times? What I am getting at is the fact that if multinationals are adjusting their profits and paying far more than expected to the

Exchequer, then we are becoming dependent on the whim of multinationals and the creation of their profits. We know already that these are movable feasts. Will the Minister indicate whether there is a multinational here which has changed its mind, adjusted its profits and, therefore, contributed far more than expected to the Exchequer this year?

Deputy Michael Noonan: I cannot get information about particular taxpayers or particular corporations. I have no evidence or briefing to suggest that this comes largely from one source. This is very broad based. I will set out for Deputy Ross the part of my reply that I did not get to. While corporation tax receipts are concentrated in the multinational sector, it should be noted that the improvement is relatively broad based. In this regard, I am advised by the Revenue Commissioners that there has been an increase of more than 20% in the number of companies paying between €100,000 and €5 million up to the end of October this year, as against same period last year. This is reflected in the receipts, which were also up by more than 20% in this category. It is broadly based. It is for trading purposes. Approximately 50 multinationals are in contact over the telephone on a regular basis with the Revenue Commissioners. The group is small. The Revenue can see what is going on. Those involved say they are all trading stronger. That may be due to the decline in the value of the euro. They are trading strongly this year, are making extra profits and they are paying tax on their extra profits.

There may be some element of intellectual property being brought ashore. Again, I cannot identify that but that was one of the purposes of the amendments I moved when we discontinued the practice of residency that facilitated the double Irish arrangement.

10 o'clock

Deputy Shane Ross: I thank the Minister. He has opened the door a bit further, for which I am grateful. The evidence is clear that the multinationals are the main contributors to the extraordinary spike in corporate tax. The Minister should be worried about the effect of the contribution of multinationals which is making such a significant and material difference to the returns to the Exchequer. I am interested in hearing his view. I wonder is he worried that multinationals may make an enormous and artificial difference to the returns coming to the Exchequer because of their extraordinary ways of creating, manoeuvring and manipulating their profits. The Minister referred to it when he talked about intellectual property offshore. They can have a disproportionate effect on the returns of the Exchequer and the deficit. Does the Minister regard this as a significant development and one he should tackle in a particularly material way?

Deputy Michael Noonan: I have read commentary from fairly able people who argue the case as Deputy Ross has argued it. However, when I raise it with the Revenue Commissioners, I am told those theories are not correct. They tell me that the booming economy and the declining exchange rate has brought about a situation where all companies, multinational and indigenous, are trading very profitably. As a result of their profitable trading, they have more profit and pay more tax. The most serious question from my point of view is whether this is a windfall or something that can go into the base for subsequent years. The Revenue Commissioners assure me that this is not windfall and that it can be put into the base for subsequent years because this is the new situation. While that is the advice, we put in a very low percentage increase for corporation tax next year over this year's base when we were constructing the 2016 budget. It is something like 6% or 7%, which is not much more than the growth rate. We need to be prudent about this. However, the Deputy should not be surprised if next year corporation tax again exceeds the estimate for the 2016 budget because we are putting in very prudent figures.

I rely on Revenue to tell me about taxes and to predict tax flows. Revenue is predicting that these tax flows are not windfall and that they will continue into next year and subsequent years in similar trading conditions.

Banking Operations

4. **Deputy Michael McGrath** asked the Minister for Finance his views on restrictions being placed on bank customers in relation to branch cash lodgements and withdrawals; if the Consumer Protection Code will be reviewed in relation to provision of services in branches; and if he will make a statement on the matter. [40510/15]

Deputy Michael McGrath: I raise the matter of the changes to in-branch services announced by Bank of Ireland earlier this month, in particular the minimum withdrawal of €700 and the minimum lodgement over the counter of €3,000. The Minister made a statement at the time that he felt the changes were surprising and unnecessary and Bank of Ireland did something of a U-turn. However, the exact position needs to be clarified. Bank of Ireland issued a statement that it wished to confirm that vulnerable customers together with those elderly customers who are not comfortable using self-service channels or other technology solutions will be assisted by branch staff to use the available in-branch services. Can the Minister clarify his understanding of what that means and the assurance he has been given? Will over-the-counter services be retained at existing levels?

Deputy Michael Noonan: As the Deputy is aware, I have no statutory role in relation to decisions by financial institutions to alter or amend the range of services provided by regulated entities including in-branch cash lodgements and withdrawals. These are ultimately commercial decisions for the management team and board of each lending institution having due regard to their customers. Notwithstanding this, I have expressed my dissatisfaction in relation to the changes that Bank of Ireland recently announced. I made it clear that I considered these changes surprising and unnecessary. Following this statement, Bank of Ireland has given a commitment that vulnerable customers together with those elderly customers who are not comfortable using self-service channels or other technology solutions will be assisted by branch staff to use the available in-branch services. I expect the bank to honour this commitment fully and work with its customers to ensure that the impact of the changes is minimised.

The Consumer Protection Code was originally introduced in 2006. The purpose of the code is to strengthen protection for consumers by introducing clear rules on the conduct of business for all regulated entities in order to increase the standards of services to consumers. The current version of the code was published in 2012 and contains requirements to protect consumers when changes to services are being made. Provision 3.10 of the code requires at least one month's notice to be given to consumers in such instances. The Central Bank has informed me that one of its key focuses is to ensure that consumers are provided with adequate notice of any changes in service to give them sufficient time to make alternative arrangements. Banks must also provide vulnerable customers with the necessary assistance to deal with service changes. The Central Bank has informed me that it continues to monitor compliance with the code in the context of changing services in the banking sector.

Consumers who are not happy with the manner in which services are provided by their current financial institution may wish to consider switching to another institution. The Competition and Consumer Protection Commission website, www.consumerhelp.ie, provides a com-

parison tool to compare various financial products.

Deputy Michael McGrath: I thank the Minister for his reply. To its credit, Bank of Ireland has maintained its branch network nationally. However, if changes like this take hold, the role of the branch will diminish over time. All that will be left in branches will be back-office staff and the role of the branch in rural and local communities will come increasingly under question. I am still not clear as to what the policy of Bank of Ireland is on withdrawals of less than €700 and lodgements of less than €3,000 over the counter. Will a member of staff be available to help a vulnerable or elderly person to use the machine in the branch or will the over-the-counter services be available as normal? Many people prefer to deal with a person rather than a machine and one must question the direction of banking, the model we want to see and the level of customer service we are promoting. It is fine to direct people to ATMs but half of the time, they are out of service. Many of them do not dispense €10 notes. Almost all the time one gets a €50 note if one has that much money in one's account. At minimum, one can withdraw €20. It is not consumer friendly and the Central Bank needs to look at it.

Can the Minister clarify his understanding of the position if an elderly person goes into a branch of Bank of Ireland next month and seeks to withdraw €100? Will that be facilitated?

Deputy Michael Noonan: I have no role in directing the day-to-day activities of Bank of Ireland or any other bank. It is making arrangements it announced in a very customer unfriendly way. I said I thought it was unnecessary and an example of poor customer relations. It is also true to say, however, that the industry is changing. We are moving towards a cashless society. Sweden has almost gone fully cashless already. We are moving towards a society which is changing in the way it pays its bills and handles cash. The amounts of cash being handled are changing also. As change takes place, elderly and vulnerable people must be looked after by bank staff.

There is a code of conduct on bank customer relations which dates from 2006 and the Central Bank is the authority monitoring its implementation. It is actively pursuing these issues with Bank of Ireland and others and we have assurances that Bank of Ireland will look after elderly and vulnerable customers. I do not know if that means the girl on the floor will go inside the counter and give out money to an elderly person or whether she will go over to a machine and take the money from there. It is not for me to go in and monitor what is happening on the floor of the bank. Services have to be provided in a way that is helpful and protective of the elderly and vulnerable and they must be happy with their service. The Central Bank will monitor that.

Deputy Michael McGrath: I thank the Minister for his reply. I have written directly to the Central Bank on the issue and I await a reply from Mr. Bernard Sheridan, the consumer director. I have raised these concerns directly with him because it is principally a matter for the Central Bank. However, we are far from being a cashless society. There are still State services that one must pay for with cash. The reality is that these changes raise serious security concerns. If they are fully implemented, any undesirable person who observes an elderly person getting cash in a bank branch will know that he or she is coming out the door with at least €700. Such a ridiculous situation would put people at unnecessary risk, which would not be fair or acceptable. I welcomed the statement made by the Minister at the time. There has been somewhat of a row-back by Bank of Ireland, but the exact position is not clear. I appreciate that the Minister is not responsible for running the banks and that this is an issue for the Central Bank which needs to get on top of the issue to ensure customers are being properly supported. These supports might be provided on a temporary basis, notwithstanding the code, but if the policy which requires a

minimum withdrawal of €700 remains in place, it will become the norm over a relatively short period of time. That is the concern.

Deputy Michael Noonan: It is fair to point out that Bank of Ireland is a private bank that is quoted on the Stock Exchange. The State has a 14% stake in the bank; therefore, it does not have a controlling interest in it. When the bank acted as it did, I issued a statement indicating that what it had done was “surprising and unnecessary”. I am glad that the Deputy has written to the Governor of the Central Bank, or to the Central Bank authorities.

Deputy Michael McGrath: I have.

Deputy Michael Noonan: In general terms, I support what the Deputy is doing.

Mortgage Interest Rates

5. **Deputy Shane Ross** asked the Minister for Finance to set out the progress he has made in his efforts to force Bank of Ireland to reduce its variable rate mortgages; to state the banks that have reduced variable rates; if Bank of Ireland, in particular, has refused to reduce its variable rates; if, as a shareholder in the Bank of Ireland, he will be able to persuade it to bring back its variable rates to competitive levels; and if he will make a statement on the matter. [40400/15]

Deputy Shane Ross: The item referred to by Deputy Michael McGrath is not the only example of the Bank of Ireland going walkabout. I realise that the Minister has a 14% share in the bank, as he said, but I wonder what has happened about variable rate mortgages. I think it was as long ago as the spring when we first heard that the Minister was meeting the heads of the banks about the absolutely exorbitant variable rates they were imposing. There has been some movement by AIB and perhaps one or two other banks, but it appears that Bank of Ireland has not moved at all. I would like the Minister to clarify where we stand and where he stands on the matter.

Deputy Michael Noonan: I remind the Deputy of the steps I have taken to ensure the banks provide options for mortgage holders to reduce their repayments. Last May I met the six main mortgage lenders and outlined my view that the standard variable rate being charged to customers was too high. The banks agreed to review their rates and products and, by the beginning of July, to have simple options in place to reduce monthly mortgage payments for standard variable rate customers. In September I concluded a series of follow-up meetings with the banks, most of which have put options in place to allow borrowers to reduce their repayments. As the Deputy knows, Bank of Ireland is a privately owned company in which the State maintains a minority shareholding. He will also be aware that in my role as Minister for Finance I have no direct function in the relationship between the banks and their customers. I have no statutory function in the commercial decisions made by individual institutions at any particular time, including the setting of product interest rates. Such decisions are taken by the board and management of the relevant institution. A relationship framework has been specified that defines the nature of the relationship between the Minister for Finance and the bank. This was published on 30 March 2012 and can be found on the website of the Department of Finance. It is up to the individual banks to advertise their rates and products. I am sure the Deputy is aware that some banks have focused on fixed rate offerings or rates based on loan-to-value, while others have reduced their variable rates. I asked the banks to provide options which borrowers could use to reduce their monthly repayments. I believe options have been put in place. Bank of Ireland, for

example, has chosen to focus on its fixed rate offerings which are available to standard variable rate customers. I understand Bank of Ireland customers can now avail of a fixed rate of 3.6%, which is substantially lower than its current standard variable rate. The bank also offers other options, including a ten-year fixed product which offers borrowers security on their repayments.

Deputy Shane Ross: It seems that the Minister's reply means that Bank of Ireland has done nothing whatsoever, or very little, about its standard variable rate. Although the Minister has been able to influence the State-owned banks, I suggest his relationship with Bank of Ireland is that of a junior partner. It is all very well for him to clothe it in a certain type of language by saying he has no day-to-day influence over the running or operation of the Bank of Ireland. I accept that he cannot intervene in the running of Bank of Ireland in a meaningful way, but it appears that when an effort was made to persuade it to reduce its standard variable rate, the attitude it took was completely different from that taken by AIB. The Minister referred obliquely to AIB's decision to reduce its rate. Bank of Ireland decided to eyeball him by doing nothing. It offered fixed rate options, but it left its variable rate very close to the exorbitantly high rate at which it was. Does this mean that the bank, in which the Minister has a 14% shareholding, is operating on a completely different basis on these matters from AIB, in which the Minister has a shareholding of approximately 98%? If these two large bodies which constitute a duopoly are operating on different terms and have different relationships with the Government, it is a matter of some concern.

Deputy Michael Noonan: As an opening position, I accepted the argument made in this House and elsewhere that the standard variable rates being charged by banks and mortgage lenders in Ireland were higher than the market would seem to justify. I met the banks on the basis of that argument and asked them to reduce their standard variable rates or bring forward other products that would show a reduction and give people options. I do not want all of the banks to offer the same options. I want some competition in the market where different options are offered. Bank of Ireland decided that rather than reducing its standard variable rate, it would offer much better value options on fixed rates than it had heretofore. Now it is offering a substantially lower fixed rate of 3.6%. I am surprised at the inertia of customers in responding to the reductions of up to 1% that have been made available to them. I cannot fathom why there seems to be a reluctance to move from variable rates to fixed rates, even within the same bank. Many customers with quite small mortgages are happy to let them roll along. It seems that interest rate reductions of 0.5%, 0.75% or 1% do not represent a sufficient inducement to get them to do the paperwork to switch. The effect of the introduction of these options is interesting.

Deputy Shane Ross: Standard variable rates and fixed rates are very different creatures with different characteristics. Some borrowers who take out mortgages need variable rates, while some need fixed rates. It is not as if they can just switch from one comparable mortgage to another. In many cases, they do not switch because the fixed rates are not suited to their particular positions. I take it from what the Minister has said that he has given up any hope of getting Bank of Ireland to reduce its standard variable rate. I wonder what influence he has over the bank with his 14% shareholding. He did not answer the important question I asked. Does the fact that he has a 14% shareholding in Bank of Ireland and a shareholding of almost 100% in AIB mean that the banks are operating under different arrangements? Does he have greater influence over the operations of AIB as a result of the difference in the shareholdings? If so, does this affect competition between the two banks?

Deputy Michael Noonan: I do not have a role in the commercial decisions of either bank. The State owns 99.8% of AIB, vested in me, but that does not allow me to intervene in commer-

cial decisions made by the bank. Similarly, the State's 14% stake in Bank of Ireland does not allow me to intervene in its commercial decisions. Obviously, I have a certain moral suasion role. An example of how it works was highlighted in response to the previous question in the name of Deputy Michael McGrath. The new practices Bank of Ireland was proposing to impose on customers in withdrawing money in its branches were totally out of line with our expectations. I issued a very strong statement and the bank reacted immediately. I have that influence. The fixing of interest rates is a matter for individual banks; it is not one for the Central Bank or me. The answer is to have competition in the system. That is why I want different products at different prices offered by different banks. I do not want in any circumstance to have the same set of products all priced evenly, as if that was to happen, there would be no competition at all. I would like to attract other lenders to the country on the mortgage side, but that is quite difficult because of the legacy of mortgages in arrears in a country where enforcement involves a long legal process. New banks are, therefore, reluctant to come.

Other Questions

EU Membership

6. **Deputy Michael McGrath** asked the Minister for Finance his views on the economic implications for Ireland of a potential exit by the United Kingdom from the European Union; how this impact would be mitigated; and if he will make a statement on the matter. [40355/15]

Deputy Michael McGrath: I raise the issue of the potential exit of Britain from the European Union. Whether we think this is likely or very unlikely, we certainly need to plan for the scenario, given the implications it would inevitably have for Ireland, particularly for the free movement of people and free trade currently provided for within the European Union. It would have serious economic consequences for Ireland. The question asks what the implications are, what we are doing to plan for this potential scenario and the details surrounding it.

Deputy Michael Noonan: I thank the Deputy for raising this very important issue. The Government's position on developments relating to British membership of the European Union has been clearly articulated, in particular by the Taoiseach and the Minister of Foreign Affairs and Trade; we very much want the United Kingdom to remain an integral member of the Union. This is important for both the economy and the ongoing development of the excellent bilateral relations Ireland and the United Kingdom now enjoy. Ireland is perhaps the member state that would be most affected by any change in the EU-UK relationship. We also believe the European Union is stronger and more effective with the United Kingdom as a member.

The United Kingdom's continued membership of the European Union is, therefore, a matter of strategic importance for the Government. In this regard, Departments, including my own, have been working on the matter for some time. Under the Department of Finance and Economic and Social Research Institute, ESRI, research programme agreement, my Department commissioned research to be undertaken on scoping the potential economic implications for Ireland of a change in the EU-UK relationship. The research was published on 5 November and is an important contribution in deepening our understanding of the potential issues arising. Although the research was commissioned under the Department of Finance and ESRI research programme agreement, it is important to underline that the ESRI is an independent institution.

My Department and others are continuing our assessment of all the issues involved in protecting Ireland's economic interests. However, I emphasise that the main focus of our work is now on examining how to support UK membership of the European Union rather than planning for its withdrawal. In this context, the Deputy will be aware of the publication of the Prime Minister, Mr. Cameron's letter to the President of the European Council on 10 November, in which he sets out in broad terms the changes that the United Kingdom intends to seek in the renegotiation of its membership of the European Union. We are entering a phase of discussions at European Union level leading up to the December European Council. Ireland will be very engaged both at political and official level.

Deputy Michael McGrath: I agree with the Minister's assertion that we need to be actively involved in the process under way between the British Government and the European Union. We should be doing so on the basis that we are actively working towards keeping Britain in the European Union. The reality is we are economically interdependent and our interests are inextricably linked. That is borne out by the trade relationship between Ireland and the United Kingdom. Having said that, we also have a duty to plan for the other scenario of a Brexit which may not be likely but is a possibility. Given the significant issues raised in the ESRI's report in terms of trade, foreign direct investment, energy security and migration implications, we need to actively consider what measures Ireland would need to implement if the scenario was to come to pass. I sincerely hope it will not happen, but my question is whether we are working with the scenario of a Brexit in mind. It is fundamentally in our interests to be prepared should it happen.

Deputy Michael Noonan: The primary work being done in the Departments of the Taoiseach and Foreign Affairs and Trade is to develop a constructive role for Ireland to assist the United Kingdom in retaining membership of the European Union. As we move towards the Council meeting in December, the Government is considering how it can contribute constructively to the negotiations, working with EU partners to reach pragmatic solutions, while at the same time protecting the economic interests of Ireland. We have not yet had any real discussion on the scenario that none of us wants, that of a British exit. That would happen in a subsequent phase. I would be very surprised if it was an exit *simpliciter* rather than a change in the relationship between the United Kingdom and the European Union. The nature of what would replace that relationship would decide whether this would be a big problem for Ireland or not as the case may be. There are precedents; Norway has such an agreement.

Deputy Michael McGrath: I agree the more likely scenario is a changed relationship between Britain and the European Union and that an accommodation will be reached. Ireland must be actively engaged in that process at European Council level, supporting the position of the British Government where we believe it is in our interests to do so. We may not agree with it on all of the issues being raised, but our overarching objective must be reaching an overall accommodation that will allow Britain to remain within the European Union. The alternative simply does not bear thinking about, as it may involve the reintroduction of tariffs and the need to immediately negotiate a bilateral trade arrangement between Ireland and the United Kingdom. That is not a space into which we want to go. We have a direct land border with part of the United Kingdom in the Six Counties. The issue is fundamental to our future economic interests and the ESRI's report makes a very important contribution to the debate. It highlights the key issues that need to be addressed. I support the Government's position in engaging constructively in the process, with a view to reaching an overall arrangement. I implore the Minister to ensure that, in the background, officials will work on the Brexit scenario.

Deputy Michael Noonan: I thank the Deputy for his support and agree with him on the position he outlined, which is helpful and constructive. With regard to the renegotiation by the United Kingdom of its relationship with the European Union and the capacity of Ireland to be of assistance with pragmatic and constructive proposals, rather than looking at it as the United Kingdom trying to have separate and distinct arrangements for itself, we can see it as the United Kingdom trying to make changes in the European Union to the benefit of the whole Community. If we approach it from that perspective, there is a better chance of securing a positive result. I can envisage a case where the United Kingdom will advocate change, arguing that such changes would benefit all member countries of the Community, and will be accommodated in that space. That is opposed to the United Kingdom stating it is different and needs a separate deal. That is not a workable solution.

An Leas-Cheann Comhairle: The Deputy who tabled Question No. 7 is not present.

Question No. 7 replied to with Written Answers.

Pyrite Panel Report Recommendations

8. **Deputy Clare Daly** asked the Minister for Finance if the Revenue Commissioners have agreed to the change in local property tax procedures, on an administrative basis, for home owners with properties affected by pyrite, as announced by him in budget 2016; when these changes will come into effect; and when they will be put on a legislative basis. [40178/15]

Deputy Clare Daly: The Minister announced in the Budget Statement with great fanfare that he was finally going to address the difficulties of the owners of properties with pyrite in accessing their legitimate right to an exemption from the local property tax. This has been consistently sought for almost two years. What is the meat of the proposal and when is it likely to be introduced? Are there other details?

Deputy Michael Noonan: I thank the Deputy for raising this issue again. She has raised it on a number of occasions. I have moved to meet the concerns she has expressed on behalf of the householders involved. I announced on budget day that I was accepting the recommendations made by Dr. Thornhill in his review of the local property tax with respect to those properties which had been damaged to a significant extent by pyrite. Revenue has agreed to my request that the change in procedures be implemented on an administrative basis pending the enactment of the necessary legislation.

Dr. Thornhill recommended the continuation of the exemption from local property tax for properties with significant pyrite damage, for the most part in line with the current arrangements. The exemption will continue to be restricted to those properties that have been certified as having a damage rating of “2” or “1 with progression”. The damage must be proved by inspection and testing by a competent person, such as an engineer, in accordance with a standard published by the National Standards Authority of Ireland. He also stated that where property owners elect not to incur the costs of testing, they have the option of submitting a self-assessed value to the Revenue Commissioners for the property which in their view reflects its current market value, taking account of the possible presence of pyrite.

Dr. Thornhill also recommended that the requirement for the certification of pyrite damage by a competent person be relaxed in certain limited circumstances. The first circumstance is

where the Pyrite Remediation Board has agreed to remediate a property without carrying out the usual laboratory testing that definitively establishes the presence of pyrite. Where this happens, the Revenue Commissioners will accept confirmation from the Pyrite Remediation Board that it has accepted a particular property into its remediation scheme in lieu of certification by a competent person. The second circumstance is where a relevant party such as a guarantee company, an insurance company or a builder or developer accepts responsibility for the remediation of a damaged property or agrees to fully compensate the property owner in lieu of remediation. Where this happens, the Revenue Commissioners will accept documentary evidence that the relevant party has given an appropriate commitment to remediate the property or to fund the necessary remediation works.

Additional information not given on the floor of the House

I am advised that the Revenue Commissioners are currently preparing guidelines for the purpose of implementing Dr. Thornhill's recommendations on an administrative basis and that these will be published by the end of November. Work on the necessary legislative amendments to give statutory effect to the changes is under way and I hope to introduce them to the Oireachtas in the near future.

Deputy Clare Daly: If any home owner was listening in, far from thinking the process has become simpler, his or her head would be splitting after listening to the Minister. The reality is that many of these people have had hundreds of euro and more than €1,000 in some instances deducted from their wages for properties that are simply valueless. Based on the Minister's response, I am not clear whether we must wait for legislation for this new arrangement to come in. When will this legislation be tabled? Is the exemption still restricted to three years because I do not think that is good enough given that the property continues to be essentially valueless and incapable of being sold, extended or improved in any way? The suggestions made by Dr. Thornhill may be a slight relaxation but they do not go far enough and it is regrettable that the Dáil has not been given an opportunity in any form to discuss those issues prior to any legislative change. Is that envisaged and when will we see legislation if that is what it depends on?

Deputy Michael Noonan: As I said in my reply, the Revenue Commissioners have agreed to my request that the changes in procedures be implemented on an administrative basis pending the enactment of the necessary legislation. I am also advised that the Revenue Commissioners are preparing guidelines for implementing Dr. Thornhill's recommendations on an administrative basis and that these will be published by the end of November. On the issue of legislation, the Dáil runs until the middle of December and is scheduled to return after Christmas so the intention is to legislate.

Deputy Clare Daly: I take it that in the worst case scenario for a homeowner where no ground testing has been carried out, the homeowner can assess the value of the property. Presumably, if it is incapable of being sold because it has pyrite, it will return a very minor value and, therefore, be open to a very small property tax and the Revenue Commissioners will agree to that. Will the duration of the exemption be altered in any way by the suggestions made by Dr. Thornhill?

Deputy Michael Noonan: As I understand it from the Deputy and others who raised it, the nub of the problem was that the exemption could only be triggered by a test which sometimes cost an enormous amount of money that was well in excess of any relief that would be provided. This is being removed. The Revenue Commissioners are prepared to take evidence

that is below testing. I have outlined the different types of evidence they will take but they will take self-assessment as well, which is probably the simplest. We will be clearer when they incorporate what I gave in my answer into the guidelines they intend publishing in the next two weeks. After that, the intention is to enshrine this in law but it will operate before the legislation is implemented on an administrative basis and I have the agreement of the Revenue Commissioners in this regard. There is no proposal to extend the period but we can look at that when the legislation arrives.

Strategic Banking Corporation of Ireland

9. **Deputy Seán Kyne** asked the Minister for Finance if he will report on funding through the Strategic Banking Corporation of Ireland for Irish small and medium-sized enterprises and for agriculture; if he is satisfied with the total lending provided; the number of banks and lending organisations that are delivering the funding programme through the corporation; and if he will make a statement on the matter. [40372/15]

Deputy Seán Kyne: This question relates to the Strategic Banking Corporation of Ireland and funding through it for SMEs in agriculture. Can the Minister report on the total lending provided, whether he is satisfied with the level of funding and whether other banks or lending organisations will be eligible to engage in that process and lend?

Deputy Michael Noonan: I thank Deputy Kyne for this very important question. The Strategic Banking Corporation of Ireland, SBCI, was formed in late 2014 and began lending in March of this year. The SBCI makes its funds available to SMEs through lending partners known as on-lenders, the first of which are Bank of Ireland and AIB. The SBCI has made considerable progress in providing finance to Irish SMEs. To the end of September of this year, the SBCI has lent €110 million to over 3,200 SMEs across Ireland and to all sectors of the economy.

It may interest the Deputy to know that the SBCI has developed a tailored agriculture investment loan. This product is available for investment by agricultural SMEs involved in primary agricultural production, the processing of agricultural products or the marketing of agricultural products. The loan can be for amounts of up to €5 million with a loan maturity of between two and ten years. To date, approximately one third of the SBCI's total lending has been to SMEs in the agri sector who have taken out agriculture investment loans. I understand that the SBCI intends to publish further detailed lending results for 2015 in early 2016.

The Government's aim for the SBCI is to increase the provision of finance to Irish SMEs and to provide such finance at a lower cost and on more flexible terms than were available in recent times on the market. Additionally, it is intended that the SBCI will foster greater competition amongst finance providers in the market. The SBCI is achieving this by working with existing and new providers to develop enhanced products and by supporting new entrants to the SME lending market.

In this regard, the SBCI has recently announced new on-lending agreements with two non-bank lenders, Finance Ireland and Merrion Fleet. This is a key step in creating greater competition for SME lending in the Irish market and providing funding for a broader range of products including asset finance, leasing and contract hire.

Additional information not given on the floor of the House

The SBCI is in advanced discussions with a number of other bank and non-bank lenders and it is anticipated that further announcements of new on-lending agreements will be made in the coming months. The SBCI is committed to leveraging existing and new relationships with on-lending partners to support SME growth and investment through the provision of lower cost and longer term funding. To date, the SBCI has committed a total of €475 million for on-lending to Irish SMEs, out of its current funding capacity of €800 million. The SBCI has made significant progress over its first seven months of operations, both in terms of providing funding to SMEs and building a strong infrastructure through which it will continue to provide long-term support to SMEs.

Deputy Seán Kyne: I thank the Minister for his reply and commend him on his role in the establishment of the SBCI in conjunction with the EIB, the German state bank and the German finance minister. I welcome the amount of loans that have been made, up to one third in the agri sector which has been a powerhouse of job creation over the past number of years. It is great to see that this level of investment and lending is possible through the SBCI.

I understand that banks are obliged to inform applicants of the possibility of SBCI loans where the terms of their own loans are not agreeable or they are not agreeable to lending. Is this happening in all cases? Does the Minister envisage even more lending organisations coming to the fore over the next number of years in terms of providing increased competition notwithstanding the bodies he has listed?

Deputy Michael Noonan: I understand that Bank of Ireland, AIB and the two non-bank on-lenders are honouring the terms of the protocols they have entered into. I hope that there will be more on-lenders. I know that the SBCI is in advanced discussions with a number of other bank and non-bank lenders. It is anticipated that further announcements of new on-lending agreements will be made in the coming months. In terms of advertising the availability, apart from the obligation on the banks to inform customers, many of the trade organisations and representative bodies are fulfilling a role of providing the information. The Irish Farmers Association, IFA, and the Irish Creamery Milk Suppliers Association, ICMSA, for example, are doing it in the agriculture sector. The Irish Business Employers Confederation, IBEC, is certainly doing it for small and medium enterprises, SMEs, and the Small Business Association is also doing it. There is significant take-up across the sectors but the agriculture sector took the lead. Dairy farmers, in particular, are gearing up for the non-quota days and there is very significant investment going into dairy farms.

Deputy Seán Kyne: I thank the Minister for his reply. Does he envisage any increased role for the credit unions in respect of SME lending? There has been speculation about this and there was a pilot programme in Kilkenny. Does the Minister envisage any role, maybe not at the level of €5 million but for smaller loans because credit unions are very interested in getting involved in this area?

Deputy Michael Noonan: The credit union movement is an admirable one and we are lucky to have it in Ireland because it is a source of credit for many people who would not normally interact with banks. I am a very strong supporter of the movement. Last week I met with the representatives of the two main credit union bodies, together with a representative of the Credit Union Managers Association, to discuss the Credit Unions and Cooperation with Overseas Regulators Act 2012, the final part of which will be signed into law at the end of the year. We discussed various implications and minor difficulties that need to be ironed out in advance of that. I also indicated that we would review the implementation of the Act and that we would

further consider extending the role of the credit union into the areas the Deputy suggests.

Mortgage Interest Rates

10. **Deputy Robert Troy** asked the Minister for Finance if he is actively pursuing plans to force banks to reduce variable interest rates for mortgage customers; if he is concerned by the high rates charged by banks that are no longer active in the new mortgage market, and are therefore not subject to competition pressure; and if he will make a statement on the matter. [40357/15]

Deputy Robert Troy: Will the Minister continue to pursue plans to force the banks to reduce the variable interest rates charged? Is he concerned about the high interest rates being charged by banks that are no longer active in new mortgage markets and, therefore, are not subject to competition pressure and will he make a statement on the matter?

(Deputy Michael Noonan): I thank Deputy Troy for raising this matter. It is a very important issue for many constituents of all Deputies. As the Deputy knows, I have taken steps to ensure that the banks provide options for mortgage holders to reduce their monthly repayments. Last May, I requested a report from the Central Bank on the topic which was subsequently published. I also met with the six main mortgage lenders in May and outlined my view that the standard variable rate, SVR, being charged to Irish customers was too high. The banks agreed to review their rates and products and, by the beginning of July, to have simple options to reduce monthly mortgage payments for SVR customers.

In September, I concluded a series of follow-up meetings with these banks and the reality is that the majority have put options in place to allow borrowers reduce their repayments. These options range from lower variable rates to new suites of variable rates based on loan-to-value and reductions in fixed rates.

While I did not meet all mortgage providers operating in Ireland, I met with those which cover the majority of the mortgage market. Furthermore, these meetings should impact on other lenders in the market. I expect that changes to interest rates by the main lenders should drive competition in the mortgage market and exert downward pressure on other lenders to reduce their rates in line with other providers.

I, therefore, encourage borrowers to contact their bank to see what is available to them in their circumstances or consider moving to another bank, where possible, if the offer is not satisfactory.

Central Bank research suggests that 21% of existing private dwelling house, PDH, variable rate mortgage customers could save by switching their provider. Many of those who cannot save by switching are on tracker rates where the interest rate is already low or have SVR rates but with small remaining balances. I would encourage customers to see if there are options available to them to reduce their repayments by switching provider. I expect that if financial institutions are convinced that there is a threat that they will lose existing customers, they will reduce the rates they currently charge such customers. The Competition and Consumer Protection Commission, CCPC, website www.consumerhelp.ie is a valuable source of information on the rates charged by various financial institutions.

18 November 2015

Additional information not given on the floor of the House

The reality is that the majority of mortgage lenders have put options in place to allow borrowers reduce their repayments. Therefore, I do not consider it necessary to take any further action at this time but my Department continues to keep the situation under review.

Deputy Robert Troy: I thank the Minister for his response. He is right, it is a very big issue because 300,000 households with young families are being screwed and crippled by interest rates. In some instances, the interest is twice the rate of that in other EU member states. Some people are paying €4,000 a year on a €200,000 mortgage more than is being paid in Northern Ireland. That is not fair. The Minister talks about his modest reductions in the universal social charge, USC, in the budget but can he imagine what an extra €4,000 a year would do for many families who are struggling? He said he concluded a series of meetings in September but the consequence of these meetings was a totally inadequate response from the banks. The meetings were about as useful as an ashtray on a motorbike because the interest rates are still too high and are crippling people. The Minister talks about the reduction in fixed rate interest rates but that does not suit everybody. He talks about switching mortgages but that is not suited, or open to, people in mortgage arrears or negative equity.

This party produced legislation earlier in the year which would have given power to the Central Bank to intervene. It is time the Minister enacted that legislation.

Deputy Michael Noonan: We asked the Central Bank to review the situation in the spring and it turned down the offer to become the authority that regulated interest rates. It thought this was a very bad idea and that competition in the market is the best controller of interest rates and the products offered. All the main lenders, AIB, Permanent TSB, Bank of Ireland and the others, made new offers after their meetings with me. Some of them reduced their rates by up to 20%, which is a significant reduction. We will not get the rates down to the European average, which the Deputy described, because the business in Ireland has come through a catastrophe and there are so many arrears on loan books on mortgages that the costs to the mortgage providers in Ireland are significantly higher because they are dealing with bad books. They are dealing with arrears, which is the key issue. I constantly monitor this and have regular meetings with the main banks and will continue to do so. It will be an agenda item for forthcoming meetings, as it was in the past. Significant progress has been made and the Deputy should encourage those who talk to him to avail of the new offers because there seems to be considerable reluctance to switch even when it is in the interest of customers.

The total figures are not as big as the Deputy says. The fixed mortgages are at very low interest rates. Some elderly or middle aged people have a very small balance left on their variable rate mortgages and do not think it is worth changing their relationship with their bank managers. There is a cohort of people adversely affected and I am addressing their needs.

Deputy Robert Troy: There are 300,000 households on variable interest rates. Only 700 people switched their mortgages to date this year. That is minimal. People do not switch because of the charges associated with switching, legal fees, valuation and other professional fees that are involved. People in negative equity and those in mortgage arrears cannot change because no financial institution wants to deal with them. The Minister has the power to instruct the Central Bank to intervene. Intervention is needed.

The legislation we proposed was balanced correctly because it acknowledged the obvi-

ous need for the banks to be profitable but it also acknowledged the rights of consumers to be treated fairly because they are not being treated fairly. The Minister talked about the difficulties the banks have gone through but AIB recently announced that it raised €750 million at a cost of 0.66% per year. It is able to raise money at an extraordinarily low interest rate but it is charging 3.6% to hard pressed struggling families. They should not be the ones left to shoulder the responsibility and help dig the banks out of the mess they created for themselves.

Deputy Michael Noonan: As I said to the Deputy, it is a major cause of concern in certain households. I am very much aware of the concern he expresses and I will be in constant dialogue with the bank, but the solution is more competition. The different banks cannot offer the same product at the same price because if they do, there is no competition. I want them to offer different products and if there are price variations, that is the competition but people must be willing to switch. It is a question that needs to be addressed by the advocates in terms of saying that this is a major crisis. If the Deputy's figure is correct, why did only 700 switch from a particular bank? One possible answer is that interest rates across the world are at an historic low even though the comparative interest rate between here and the European Union is high. The Deputy should ask his parents' generation what they were paying on their mortgage and he will see that. Interest rates are at an historic low.

Deputy Robert Troy: What balance did they have? It cost £4,000 to buy a house.

Deputy Michael Noonan: One possible explanation for the anomaly the Deputy is raising is that many people are happy with the interest rate they are paying, especially if there is a small balance left on their mortgage, and they will not switch for small rewards.

Written Answers follow Adjournment.

Social Welfare and Pensions Bill 2015: Order for Report Stage

Minister of State at the Department of Social Protection (Deputy Kevin Humphreys): I move: "That Report Stage be taken now."

Question put and agreed to.

Social Welfare and Pensions Bill 2015: Report Stage

Acting Chairman (Deputy Robert Troy): Amendment No. 1 in the name of Deputy O'Dea is ruled out of order.

Deputy Willie O'Dea: Can I ask a question on that? The amendment in my name is ruled out of order because it is deemed to create a charge on the Exchequer. However, yesterday, during Question Time, the Tánaiste and Minister for Social Protection informed me that this was the law already and that people who reach the age of 65 do not have to prove that they are actively seeking work to get their jobseeker's allowance or benefit. If my amendment represents what exists already, how can it constitute a charge on the Exchequer?

Acting Chairman (Deputy Robert Troy): I am sorry, Deputy. The Ceann Comhairle has ruled that the amendment is out of order. If he wishes to contact the Ceann Comhairle's office

he will-----

Deputy Willie O’Dea: The Acting Chairman is his representative.

Acting Chairman (Deputy Robert Troy): Thank you, Deputy, except at the end of the month.

Deputy Willie O’Dea: The Minister of State might like to venture an explanation.

Acting Chairman (Deputy Robert Troy): It is ruled out of order, Deputy O’Dea, so we cannot-----

Minister of State at the Department of Social Protection (Deputy Kevin Humphreys): To be helpful to Deputy O’Dea, on Committee Stage I said I would circulate a written response to that. I will ensure that this is given to the committee, which will be circulated to the Deputy.

Amendment No. 1 not moved.

Acting Chairman (Deputy Robert Troy): Amendment No. 2 is in the name of Deputy Pringle. We have agreement that Deputy Mick Wallace can move that amendment. Amendments Nos. 2 and 4 are related and may be discussed together.

Deputy Mick Wallace: I move amendment No. 2:

In page 9, to delete lines 13 to 20.

Acting Chairman (Deputy Robert Troy): Does anyone wish to speak to the amendment?

Deputy Denis Naughten: I wish to speak to my amendment No. 4. I am sure the Minister of State is scratching his head wondering what I am at tabling this amendment.

Deputy Kevin Humphreys: No.

Deputy Denis Naughten: I will explain it to him. My amendment states: “The Minister shall as soon as may be after the passing of this Act prepare and lay before both Houses of the Oireachtas a report on the implications of allowing discretion under the carer’s support grant, on a case by case basis, to the 15 hour restriction on engaging in employment, self-employment, training or education courses outside the home.” I tabled this amendment because I have a constituent outside Ballinasloe who works 15 hours a week as a home help outside the home. She is the full-time carer of her disabled daughter who had been going to school but has now moved on to training. She goes to training outside the home for 30 hours a week. She is picked up at her front door at 10 o’clock in the morning and dropped home at 4 o’clock in the evening. Outside of those hours her mother is her full-time carer.

The mother is a full-time carer in the home who is also working as a carer on a part-time basis outside the home providing support. The difficulty is that because she works for 15 hours she cannot avail of any training courses, therefore, she cannot avail of something as simple as a manual handling course, which is vitally important for anyone providing full-time care, unless she decides that one or all of the elderly people she is providing care to must lose out on that care while she attends the course. As the Minister knows, the Health Service Executive will not provide replacement staff in that situation. If she attends the training course she will exceed the 15 hour threshold and will be in violation of the carer’s allowance and the respite care grant because she will not be complying with the conditions. I understand the logic for the 15 hour

threshold, and I have no difficulty with the principle in that regard, but in this particular case extending it beyond the 15 hours to avail of training and education will have no negative impact on the care that woman is providing to her daughter who has a serious disability. Furthermore, by availing of that training and education she can provide better care to her daughter and the other people to whom she is providing the service on a part-time basis.

The type of intellectual disability this woman's daughter has makes her far more prone to develop early onset dementia. It is a difficult challenge for any family to deal with dementia. Many people in this House have had first-hand experience of that but a certain cohort of people with an intellectual disability can start to develop symptoms of early onset dementia in their early 40s. Early onset dementia is much harder to diagnose when the person has an intellectual disability. Also, when people get to a stage with dementia there are options for them. There are excellent long-stay facilities available but, sadly, for a person with an intellectual disability there is only one such facility in the country and it is here in Dublin; they do not exist outside of that. It is important, therefore, that the woman to whom I refer would prepare and plan for that possibility happening in the future. That would involve not only availing of the support that would benefit the quality of care she can provide her daughter but she may be able to identify some of the telltale signs and try to compensate for those with a view to delaying that progression. As we all know, there are many interventions that can delay the progression of dementia. Ireland has one of the leading research facilities in the world dealing with dementia among people with an intellectual disability, and there will be learning and progression in terms of how we can delay the onset of dementia among people with an intellectual disability.

11 o'clock

If this woman does not have access to that training or those educational courses, she will not be able to apply that to her daughter. She will not be able to apply it to the people she is caring for on a part-time basis.

The Carers Association website outlines a range of very good courses specifically focused at people who provide care in areas such as: occupational first aid; care support; care skills; safety and health at work; communications; care of the older person; a palliative care approach; nursing theory and practice; exercise and fitness; activities of living patient care; and anatomy and physiology. All of these courses lead to level 5 qualifications. There are other courses in areas such as manual handling which are not level 5.

There are two issues here. The first relates to the quality of care the carer can provide to the particular family member and to the people to whom she provides the service. The other side of it is that in the vast majority of cases, carers at some stage are no longer carers. They must come to terms with that in the first instance and then decide what they will do. Do we shut them out of the possibility of accessing education until they are no longer carers or do we try to facilitate them?

I accept that in the vast majority of cases that are on the Department's books, there is a legitimate reason for not extending the threshold beyond 15 hours and I have no difficulty with that. However, a certain cohort of people avail of services outside the home or other supports. They are not providing care for in excess of 15 hours because of other structured supports that are in place. In those instances where people can present a legitimate case to the effect that it would be of benefit to them, their families or the individuals to whom they are providing care to go beyond that 15-hour threshold, the matter should be considered on a case-by-case basis.

That provision already exists within the social welfare code for people with disabilities who want to go out to work. They are dealt with on a case-by-case basis by the Department of Social Protection medical assessors if there is an occupational benefit in that regard. So the precedent already exists. I am asking for the same level of flexibility to be introduced in the case of this grant and the carer's allowance where a person can make a legitimate case to be heard. At present, it is completely ruled out because the law prohibits people from engaging in employment, self-employment, training or education courses outside the home in excess of 15 hours. I ask the Minister of State to give serious consideration to this issue.

Deputy Aengus Ó Snodaigh: Deputy Naughten's proposal is reasonable and is in line with the objectives of the social welfare code. Where anomalies arise, as in the example he gave, a degree of discretion should apply. I have come up with examples in respect of different schemes where a bit of flexibility would provide the relief or help that someone needs to get over a hump. One of the reasons we may have such a complicated social welfare system is that over time we have provided add-ons other than the core social welfare rates in circumstances where difficulties have been identified. At the very least there is no harm in examining the issue. Either the Department or the committee should investigate whether this is workable. While we do not want to open the scheme up to widespread discretion - I do not think that is the intention - there are specific cases where it might benefit others for a few months. I am inclined to support that.

I am opposed to amendment No. 2, which did not arise out of Committee proceedings. As far as I know, the committee was in favour of the name change to reflect precisely the purpose for which the respite care grant is used, namely, that it is a support rather than something people can use in order to disappear off on holidays once a year. It did not seem to have any impact. Nobody from the Carers Association complained to me about it. I thought it was reasonable.

As we are dealing with procedures etc., I take this opportunity to urge the Minister of State, if he has any sway, to ensure that the report of the Convention on the Constitution dealing with the prohibition on Members other than Ministers from making proposals that result in a charge being imposed on the people is debated. That prohibition has led to all my amendments being ruled out of order on this occasion. Even if they are positive and in the best interests of the public from my point of view, while I can table them, they are ruled out of order. A report compiled by the Convention on the Constitution recommended amending the Constitution in this regard. We have not debated that report even though the convention presented it to the House over a year ago. We are supposed to debate them within three months. That is something I believe can be changed. I do not suggest that every single idea that comes into my head or anybody else's should be thrown into the mix. However, once suggestions are not mischievous and hugely overburdening, we should at the very least be able to debate them at some stage in this Chamber rather than it being a case of their being shot down before the debate even starts.

Amendment No. 4 is positive and I support it.

Deputy Willie O'Dea: I also support Deputy Naughten's amendment, which is a very reasonable proposal. The Deputy is not asking the Government to introduce discretion on the 15 hours, he is only asking it to produce a report to examine the implications. I strongly suspect that the report would find that there is a very small coterie of cases involving real hardship on the margins.

The Deputy's amendment puts me in mind of a lady who called to one of my constituency clinics last week. Medically, she would certainly qualify for the carer's allowance. The woman

in question looks after a son with an extreme medical condition requiring extensive medical treatment every second week and he also attends a special school. She works every second week for 20 hours, which is all her employer is prepared to agree to, and she does not qualify for the carer's allowance because she is not working fewer than 15 hours outside the home every week. The application was rejected on those grounds and we have submitted it for appeal. It might be no harm if we pre-empted the outcome of the appeal. In this case, the period for which the lady is working is the period for which her son is receiving treatment and also while he is in school because she spends every waking moment when he is at home looking after him. He requires full-time care and attention. It is a very difficult case and is typical of one of those on the margins in respect of which discretion could be used.

The Government should proceed to compile a report because, as a result of doing so, it will discover that the number of cases involved is tiny and that the increase in expenditure necessary to cover these would be minimal. If it does as I suggest, then a great injustice would be redressed. The Minister of State should accept the amendment. It certainly will not do any damage to the Bill. In fact, it will improve the final version we pass today.

Deputy Mick Wallace: I agree with Deputy Naughten's amendment. It seems a bit odd that training or education courses would be restricted in any way given that we all realise the all around benefits in that area. I was struck by the Minister of State's reference to manual handling. I had to do manual handling courses in construction and one learned to lift things in a certain way, depending on the length, weight and bulk of what one was lifting, but about two weeks ago, I had to lift my 91 year old mother in her bed. I had to try to move her back closer to the pillows and I nearly did myself harm because I did not know how to do it properly. The idea that people who work in this area could have too much training is not possible.

On Deputy Ó Snodaigh's point about the clause where we are not allowed to introduce amendments that would result in a cost to the Exchequer, I remind the House that it made a laughing stock of the climate change Bill because we could not make recommendations which could possibly cost the State a penny.

Deputy Kevin Humphreys: I do not propose to accept Deputy Pringle's amendment. Deputy Ó Snodaigh made the point very clearly, so I do not need to repeat it. It is a question of a name change that reflects more clearly what carers do and it has been very positively received.

Deputy Naughten made a very convincing case. I advise him to do as I suggested to Deputy Ó Snodaigh and raise the matter at the committee but I accept the Dáil's term is limited. I will not take on the individual case but I would be interested in the Deputy forwarding details of the case for it to be examined by the policy unit. What is required is a change of policy and to assess the implications in terms of change. If there is time, the matter could, by all means, go to the committee for discussion. While I will not accept Deputy Naughten's amendment, I am prepared to have the policy unit examine the matter in a speedy manner to determine the logic of the argument. As the Deputy said, it would be exceptional but it would be necessary to put a structure around it. There is a logic to the 15 hours but Deputy Naughten has made a good and strong argument and I would like the policy unit to examine it to see whether there is a need to change policy in that regard rather than just to treat it as an individual hard case. At this stage, I am not prepared to accept the amendment but I hope Deputy Naughten will accept the good intentions I have expressed in terms of dealing with the issue in the manner outlined.

Deputy Denis Naughten: I do not articulate the individual case outlined as an individual

hard case because I wish to focus on the broader issue. I am flabberghasted that the Department has taken the attitude outlined to the case raised by Deputy O’Dea because I have personal experience of other cases where the Department has averaged payments and has also done so following appeals. Will the Minister of State get the details of the case and speak to the officials involved because I have found the staff in Longford to be very amenable both in terms of carer’s allowance and family income supplement where there is a threshold? Both of those allowances are operated from the Longford office and the staff have been quite flexible in that regard. I hope the matter can be resolved in terms of the case outlined but it flags the broader issue.

Deputy Kevin Humphreys: It is the broader issue we intend to deal with. I took a note of the case raised by Deputy O’Dea and if he wishes, he can forward the details to me. Flexibility is available in terms of averaging payments over two weeks. I was quite surprised by the case Deputy O’Dea articulated but without knowing the detail, I could not respond. Deputy Naughten is speaking more about general policy and he used the case he raised as an example. Deputy O’Dea was talking about a particular appeal and I am talking about the policy issue.

Amendment, by leave, withdrawn.

Acting Chairman (Deputy Robert Troy): Amendment No. 3 is out of order.

Amendment No. 3 not moved.

Acting Chairman (Deputy Robert Troy): Amendment No. 4 has already been discussed with amendment No. 2. Is Deputy Naughten pushing the amendment?

Deputy Denis Naughten: In light of the Minister of State’s comment, I withdraw the amendment.

Amendment No. 4 not moved.

Deputy Mick Wallace: I move amendment No. 5:

In page 9, between lines 28 and 29, to insert the following:

“(2) The sum of the difference between €135 and €140 will only be paid to those already in receipt of social assistance and/or social insurance payment.”.

I speak on behalf of Deputy Thomas Pringle who wants to introduce this amendment. His idea is to try to target the increase at those most in need of an increase. It retains the universality of the payment by not cutting it to the better off but by ensuring that the increase goes to those in receipt of a social welfare payment, it means that those in most need will get the increase. If the Government accepted the amendment, it would also mean that in the future, increases could be targeted, which is in line with the recommendations of most of the social justice groups. It would not be administratively difficult because all of those people would already be known to the Department by having a primary payment or they would be a dependent adult on their parents’ payment. The only possible difficulty would be the family income support and that would simply require the person to identify who was claiming the child benefit through their PPS number.

The idea of paying every woman the children’s allowance is not such a bad one because, generally speaking, to do otherwise has huge administrative costs. I agree that the best form of taxation is direct taxation. Giving child benefit to everybody provided that those who can best

afford to pay do so through direct taxation is the best model. Research was done by Michael Taft of TASC on the abolition of the universal social charge. He made the point that it was probably the most direct form of taxation we had. He said it was the best anti-avoidance tax we had and that the truly comfortable classes can drive a coach and four through income tax with all the reliefs, allowances and exemptions but with the universal social charge they could hire an army of accountants but it would not do them much good. He said the universal social charge attaches itself to gross wages with very few and mostly minor reliefs. He went on to point out that more than half a million people in this country earn less than €15,000 a year and the majority of them were not paying the universal social charge anyway and, accordingly, budget 2016 did not change anything for them. He pointed out that the biggest beneficiaries were the top 20% households and, on average, they would get nearly twice the benefit of the squeezed middle. I agree with him that it was probably a retrograde step in terms of the progressive nature of direct taxation.

In terms of Deputy Pringle's amendment, if we are not going to increase direct taxation for those who are better off, in terms of an increase in benefit, rather than give €5 to everybody, perhaps we should examine how much the State is prepared to spend on this measure and give it all to those who most need it, who happen to be already in receipt of a social welfare payment.

Deputy Denis Naughten: There is an error in Deputy Pringle's amendment which reads: "The sum of the difference between €135 and €140 will only be paid to those already in receipt of social assistance and/or social insurance payment". Accordingly, if someone gets a social assistance or social insurance payment tomorrow morning, he or she would not be able to avail of it because it is only for those already in receipt of the payment. The word "already" needs to be deleted to meet the terms of what Deputy Pringle seeks.

I disagree with Deputy Pringle because from my experience of clinics, many of the people who are struggling are those who are just over the threshold for social assistance or social insurance payments. They are not in receipt of a social welfare payment. They are paying through the nose for mortgages and in trying to make mortgage repayments and while it is only an additional €5 per month, many families already have calculated how they will spend it. This amendment would exclude many people. They are defined as the squeezed middle but many working families, the working poor, would lose out were this amendment to be accepted and consequently, I am opposed to it.

On a related matter, the broader issue being articulated in this amendment is that the savings to be made from this measure would be targeted at the more vulnerable. As the Minister of State is aware, I am blue in the face from stating in this Chamber there are potential savings of up to €80 million per annum in respect of child benefit that could be targeted at some of the most disadvantaged children. While no one has disagreed with me, the Tánaiste has indicated it is not her responsibility but is a matter for the Departments of Education and Skills and Children and Youth Affairs. The Department of Education and Skills has indicated it is an issue for the Departments of Children and Youth Affairs and Social Protection whereas the Department of Children and Youth Affairs has stated it is an issue for the other two Departments. I seek a small element of joined-up thinking that would save somewhere between €70 million and €80 million in child benefit. This is money that is being paid out each year to children who do not exist or who are not resident in this country and have no legitimate or legal claim to child benefit. I do not refer to cases in which EU residents reside here and the payment is being made abroad as under EU law, that cannot be interfered with at present. While I have a suggestion in this regard, it has been knocked down. I refer to the point that each year, the Department

of Social Protection issues approximately 300,000 letters to parents - I received one myself a few months ago - to justify that the children are in the country and are attending school. One fills out and returns the form to the Department, which is getting a significant return from those 300,000 letters in that it identifies between €70 million and €80 million of payments - it varies from year to year - that are being issued to children who are not entitled to them. These are children who may have emigrated or who perhaps do not exist, as there have been numbers of fabricated personal public service, PPS, numbers, particularly in the past.

What I seek is the tying in of that money with school attendance. This is because rather than the Department trying to catch people out, it is known who is in this country and is residing here from the time when a child starts school at the age of five. Under the law as it stands at present, if a child who has started in and registered with a school misses 20 days, the school must report this to the Department of Children and Youth Affairs. The education welfare officers must identify whether there is a legitimate reason for such an absence and all I ask is that in circumstances in which there is no legitimate reason for the child to be absent, the Department of Social Protection be contacted and informed this child does not exist or has left the country and therefore, child benefit should not continue to be paid.

The other aspect of such a measure is it would act as a huge tool in assisting welfare officers in ensuring that parents encourage their children to go back to school. I have given an example previously in this House of a six-year-old girl from County Cork called Jenny, who had missed almost 40 days between September and Christmas. The national education welfare service was contacted by the school and engaged with the family in question over the following months. It threatened legal action and eventually brought the mother and father to court where the father and mother were fined €300 and €200, respectively. Since that couple were brought before the courts, Jenny has had an exemplary record in school but the difficulty for her is she missed a full year of education. In addition, the resources of the welfare service were tied up in dragging a family through the courts. It would have been far better, had the welfare officer in question been able to approach that family in September or October to tell them that unless Jenny was sent to school, the welfare service would contact the Department of Social Protection. The family could have been told that under the law as it stands at present, people are not meant to receive child benefit unless the child is at school and that the welfare service would ask for that law to be enforced until Jenny returned to school. It would have made far more sense to have done this than to have dragged that family through the courts, thereby tying up the resources of the welfare officers in dealing with that issue when those resources could be better targeted at dealing with children with real and genuine social problems.

The Government could use some of the €80 million that would be saved to put the resources into school attendance programmes. There are some excellent programmes that have been a huge success, some of which are under financial threat at present because the resources are not available in Tusla to continue with them. Not only would this measure yield savings in respect of ensuring the children attend school and improving the efficiency of the education welfare service, it would also save the Department of Social Protection a significant amount of money in the long term because a child who gets the chance of education is less likely to get into trouble, to end up in prison or to end up on the live register in the future. Such children have better opportunities and are more likely to contribute to the economy in the long term. I am merely asking for something simple, namely, that the Ministers for Education and Skills and Children and Youth Affairs, together with the Tánaiste and Minister for Social Protection, would agree to share information across the board.

The Government would save €80 million immediately that is being paid out to children who do not exist or who no longer are resident here. This first saving would be made rapidly but it also could be used as an additional tool to support the education welfare service in ensuring that children attend school. I do not seek anything new here, as the systems for measuring this and the law already are in place in this regard. The only request I make is that under some of the agreements made with the trade unions, when coming across a case in which the child does not exist or has disappeared, education welfare officers should send an e-mail to the Department of Social Protection's control section in Carrick-on-Shannon in order that the child benefit can be suspended. This is what the Department does anyway if a letter is sent out and a response is not received. Why must the system wait for the Department to send out the letter proactively and to wait for a non-response before this happens?

Deputy Aengus Ó Snodaigh: While I can understand the motivation behind the proposal tabled by Deputy Pringle, it is a blunt instrument and is not the proper place to address the issue to which he refers. In addition, the amendment's wording contains a contradiction because child benefit is a social assistance payment in any event and consequently, this provision would contradict itself in that it provides that one cannot be paid this increase unless one is in receipt of child benefit, which everybody is getting in the first place. I have argued it would be more useful that with any recovery, those who are poorest and most vulnerable in society are the people who should be targeted with any available increase. Members have debated, both in this Chamber and on Committee Stage, on social transfers and the benefits therefrom, that is, the money the Department pays out to those who qualify for whatever the payment might be. Although the restrictions mentioned earlier prevent Deputy Pringle and me or anybody else from raising such a measure, it would be more useful to suggest an increase in the dependent child allowance. Were the Government to do that, those who are in receipt of another social welfare payment, be it a jobseeker's allowance, carer's benefit and so on, would get the additional €5. That would be a more targeted approach although I acknowledge there are problems with it, just as there are problems with this proposal. One of the problems with the social assistance payment is that it is often the man in the household who receives the primary social welfare payment, while the wife or partner who is deemed to be a qualified adult receives the child benefit payment of €135 or €140 per month. If, as suggested by Deputy Thomas Pringle, we were to provide that the additional payment of €5 in child benefit be made only to mothers in receipt of social assistance or social insurance payments, mothers who are qualified adults but not in receipt of these payments would not benefit from the increase. Members will be aware that it is always the mother who applies in her own right for child benefit. There are complications around what is proposed, although I understand Deputy Thomas Pringle is trying to ensure the money is targeted at those who are most vulnerable in our society, particularly lone parents and children. This legislation does not address the retrograde changes made by the Government for young unemployed people and, in particular, lone parents who are the most disadvantaged in our society by every stretch of the imagination, as highlighted in each report compiled on those at risk of poverty and those who are living in poverty, in which lone parents score highest.

It is a pity the amendment was not tabled on Committee Stage, at which time we could have had a proper debate on what Deputy Thomas Pringle has in mind, following which we might have been able to put together an amendment to better address the Deputy's positive intentions. Acceptance of the amendment, as drafted, would lead to more problems than benefits. In particular, it would end the universality of the child benefit payment. I have always agreed with its universality because if not applied in that way, the scheme could be undermined. I have always argued that the issue of people having too much money would best be addressed

by way of direct taxation. If that meant the introduction of an additional tax rate, so be it. That is the way to address the issue of extra income, taxes on which would provide the Government with additional moneys to enhance the social assistance and social benefit payments which are dealt with slightly in the Bill by way of a reference to the schedule of payments, including the qualified child payment of €29.80. While other payments increase or decrease, depending on a person's circumstances, the qualified child payment under each of the schemes with which we are dealing remain the same. If the payment were to be increased by €5, it would make a substantial difference to those who are totally dependant on social welfare payments.

Deputy Willie O'Dea: I would not be in favour of the amendment, as drafted. The Minister of State can correct me if I am wrong, but as far as I can recollect, the cost of child benefit this year is in excess of €2 billion. There are questions around how we should proceed in the future and whether some of the current allocation should go towards direct child care provision, but, obviously, that is an argument for another day.

I understand the thinking behind Deputy Thomas Pringle's amendment, but there is also a case to be made for the means-testing of child benefit payments. Why should fathers and mothers who are millionaires and have occupations such as tribunal lawyers and so on be paid the same amount as those fathers and mothers who are in receipt of social welfare payments? If memory serves me correctly, a committee established by the Minister for Social Protection, the report of which was discussed by an Oireachtas committee, proposed recasting the system in such a way that higher rates would be paid to persons on lower incomes. If memory also serves me correctly, the net result of that recommendation would have been that the higher one's income the lower the rate of benefit received. The report has obviously been gathering dust somewhere for the past two or three years. Whether it will ever be resuscitated, I do not know. Even if we were to agree that child benefit should be means-tested or recast in the way suggested in the report, I would not be disposed to a reduction in child benefit for persons who are working and on the minimum wage or an amount slightly in excess of it. That would be the effect of the amendment, although quite unintentionally I am sure. It would hurt a lot of poor people. The solution is much more complex. As Deputy Aengus Ó Snodaigh said, the amendment would be a blunt instrument and, obviously, we cannot support it. However, this is an issue to which the next Administration, whatever its composition, will have to give its immediate attention.

Deputy Kevin Humphreys: An additional €98 million in supports for families and children is provided for in budget 2016. Expenditure in 2015 on children is €1.9 billion, a significant amount.

I cannot read minds. As stated by Deputy Aengus Ó Snodaigh, as this issue was not teased out on Committee Stage, I do not know the theory behind Deputy Thomas Pringle's amendment. The outcome of acceptance of the amendment, as drafted, would be that the children of the squeezed middle which includes factory workers, gardaí, teachers and so on would be excluded from the increase in child benefit. I am sure that is not Deputy Pringle's intention but that would be outcome if the amendment was accepted.

On the committee report referred to by Deputy Willie O'Dea, he will recall that the Government imposed an additional 1% universal social charge on earnings above €100,000 per annum and in the past four years has removed hundreds of thousands of low paid workers from liability for the charge. There have been significant changes in this regard. As pointed out, regardless of how many accountants a person employs, payment of the universal social charge cannot be avoided, which is good. Far too many people got away with not paying taxes of one kind or

another because they were able to afford the best advice in that regard. I do not, therefore, propose to accept the amendment.

On the issue raised by Deputy Denis Naughten, I am not ignoring it. It is an old chestnut which we have debated many times.

Deputy Denis Naughten: I was not going to miss the opportunity to raise it again.

Deputy Kevin Humphreys: I expected the Deputy to raise it. I am only surprised he did not raise it on Committee Stage.

Deputy Denis Naughten: The problem was that the Minister of State was far too efficient on Committee Stage.

Deputy Kevin Humphreys: I will take that as a compliment. The Deputy's proposal would have unintended consequences. If Tusla and the Department of Education and Skills come to the Department of Social Protection with a viable scheme, it will be looked at. We are putting in place new infrastructure for appeals mechanisms. On Deputy's point about Jenny's family losing their entitlement to child benefit after she had missed 40 days at school, families who badly need the payment would, if they were to lose it, have to enter an appeals mechanism to have it reinstated. We have made significant changes in the Department in the past five years to tighten mechanisms so as to ensure those entitled to the payment receive it. The vast majority are so entitled, but we have a responsibility to ensure those claiming the payment are entitled to receive it. The Deputy will have heard the significant announcements made in that regard. As I said, I do not propose to accept the amendment.

Amendment, by leave, withdrawn.

Acting Chairman (Deputy Robert Troy): Amendment No. 6 in the name of Deputy Aengus Ó Snodaigh is out of order.

Amendment No. 6 not moved.

Deputy Denis Naughten: I move amendment No. 7:

In page 15, between lines 17 and 18, to insert the following:

“(b) a class or classes of saving schemes operated by a credit union in respect of which payments under this section are to be made.”.

I welcome the Government amendment to provide for the inclusion of credit unions in the 15% scheme, whereby credit union loan repayments may be made directly from a person's social welfare payment. I hope the scheme is publicised widely once the legislation is enacted. It might encourage people to go to their local credit union rather than a loan shark in the run-up to Christmas. People are paying astronomical sums in interest on loans from unregulated lenders. They should be encouraged to use their local credit union where possible, particularly at expensive times of the year, such as a child's first communion, Christmas and so on.

There might be a need to examine the wording of my amendment to ensure it is legally sound but the Minister of State has the full resources of the Department behind him to do that. As I said, when this Bill is enacted, where a social welfare recipient takes out a specific type of loan with the credit union, the latter may, with the customer's agreement, set up a direct

repayment from his or her social welfare payment. That is a very attractive scheme both from the point of view of the social welfare recipient and for credit unions because it makes it easier to collect the moneys. I am seeking something slightly different by way of this amendment, namely, that as well as facilitating loan repayments, credit unions should be enabled to operate a savings scheme which would involve taking moneys directly from people's social welfare payments. What I have in mind, in particular, is a seasonal scheme. Every autumn, for example, the Department begins issuing fuel allowance payments to eligible recipients. This year, the payment is €20 per week, increasing to €22.50 from 1 January. For many people on social assistance payments, it is a great boost to get this additional money but not all of them use it for the purpose for which it is intended. The Department, through the community welfare service, regularly has to issue payments to families to buy €100 worth of kerosene to ensure they can heat their homes. These types of situations arise because the fuel allowance is paid weekly and must be saved up over a period by the recipient before he or she can pay to fill the oil tank. Moreover, buying oil in larger quantities ensures one gets a better price, which also applies in regard to bags of coal. Many social welfare recipients use solid fuel because it can be bought on a weekly basis rather than in bulk. Indeed, the way in which the fuel allowance payment is administered means there is an incentive to use solid fuel.

I am proposing that the credit unions be allowed to come to an arrangement with fuel companies whereby the credit union would collect a customer's fuel allowance each week and put it into a designated account. When that person requires a fill of kerosene, the fuel company would get the payment directly from the credit union. We need to be more proactive in this area rather than simply leaving people in a situation where they have to borrow money to fill their oil tank. Moreover, such a scheme would have the added advantage of encouraging an ethos of saving among those who participate. It might bring an additional cohort of people under the credit union umbrella who are not there now. I have spoken to a number of oil company representatives and they are very amenable to such a scheme. I had considered the advantages of the companies themselves setting up a scheme but there are inherent risks in that should a small operator, say, go to the wall. That would leave people in a very vulnerable situation and without access to fuel. We have had those types of problems in the past, even with organisations that were licensed by the Central Bank.

Rather than going down that road and creating another layer of bureaucracy, I am asking that the Minister facilitate the credit unions in coming up with a novel savings scheme such as I have suggested, without having to wait until we change the law next year to do it. As the Bill is currently drafted, the new arrangements for credit unions relate only to borrowings. My amendment seeks to introduce a savings element that could be tied in with the fuel allowance payment, the major benefit of which is that people would be able to buy fuel in bulk and thus get their fuel at a better price. Such a scheme would benefit people by offering security in terms of their ability to heat their home and it would also encourage an ethos of saving which will stand to people for the future.

Deputy Kevin Humphreys: There is great merit in the Deputy's proposal for a scheme that would give people the tools to develop an ethos of saving for life events and avoid the need to approach moneylenders. The scheme we have provided for in this Bill will be up and running this week and will operate initially on a six-month pilot basis. We have agreement with An Post to move forward on the basis the legislation goes through the House.

In regard to what the Deputy is proposing, there are problems in respect of competition law and other issues. It is a complicated area. I am, in principle, in favour of what he is proposing,

and it certainly can be considered at the end of the six-month pilot in the context of the changes that need to be made to improve the scheme we are introducing. However, a savings scheme such as the Deputy has outlined might be more suitable to operate under the standard bank account where we would be able to allow jam-jarring of moneys within an account or accounts. A considerable amount of work has been done on this and related issues by the Department of Communications, Energy and Natural Resources and An Post in the context of the Kerr report on the future of post offices. Time is being given to these matters by several Departments and my hope and intention is that, in some manner, whether through the standard bank account or an amendment to the pilot scheme, we might be able to review the legislation with a view to facilitating the provision of a savings scheme such as the Deputy has proposed through the credit unions. Consideration must be given, however, to any unintentional consequences that might arise out of such a scheme. The Deputy's proposal has merit but what he is suggesting might fit better, within the legislative framework, were it to apply to the standard account. Certainly, his intention is excellent in bringing forward this amendment.

Amendment, by leave, withdrawn.

Acting Chairman (Deputy Robert Troy): Amendment No. 8 in the name of Deputy Willie O'Dea is out of order.

Amendment No. 8 not moved.

Acting Chairman (Deputy Robert Troy): Amendments Nos. 9 to 11, inclusive, are related and will be discussed together.

Deputy Willie O'Dea: I move amendment No. 9:

In page 15, between lines 24 and 25, to insert the following:

“21. The Minister shall, within 4 months of the passing of this Act, prepare and lay a report before the Houses of the Oireachtas, reviewing all expenditure reductions or the ceasing of payments in relation to the household benefits package, including the gas allowance, electricity allowance, telephone allowance since 2011, and setting out the options for restoring those payments to their previous levels.”

I did not press this amendment on Committee Stage for reasons I will explain presently. The House is well aware of the privations suffered by people during the years of austerity.

We have had the removal of the free telephone rental allowance, the emasculation of household benefit schemes, the drastic reduction in treatment benefits, the abolition of the bereavement grant, the reduction in fuel allowance, as well as the slashing of home help hours, which had a particular impact on the elderly. Even the increase in VAT from 21% to 23% on essentials has had a disproportionate effect on the elderly. On top of these cuts, people have been forced to pay a raft of new charges, with no account taken of ability to pay, such as water tax and property tax. Home adaptation grants have been drastically reduced, which, again, has had a disproportionate effect on the elderly.

The Tánaiste and Minister for Social Protection has said on several occasions that she regards some of the cuts as temporary at least and intends, as soon as resources permit, to reverse them. I am not asking the Government to reverse any of the particular cuts today. However, it has four months to prepare a report outlining what priorities we should have, if we are in a

position financially and economically to reverse some of the cuts. It could, for example, outline how much a 20% restoration of treatment benefits would cost. How much would an extension of the fuel allowance period from 26 weeks to 32 cost? This would then allow the Government to know where it was going in the forthcoming budget and prioritise certain measures. If it had the resources, it would be a good guide for it as to where to allocate them. The report should also encompass the effects of the poverty and deprivation suffered by people as a result of the cuts. This would act as a catalyst for the Government which could have immediate reference to it. It would ensure social expenditure was provided for in a more coherent manner and the Government could have a specific programme laid out.

The reason I did not press a similar amendment on Committee Stage was it wanted the Government to compile the report in one month. I have been more generous today and changed the amendment to require the Government to prepare the report in four months. That would give it plenty of time. If it accepts the amendment, the report will not be due legally until after the general election. The Minister of State should bear in mind that, if for some inexplicable and extraordinary reason the Government is not returned to office, it will be the first item on the agenda of his successors.

This is a reasonable proposal. For the purposes of debate, I will take the Tánaiste and Minister for Social Protection at her word that it is her intention, if she is still the Minister for Social Protection or a member of the next Government, to begin the process of reversing the cuts. The amendment has simply been designed to assist the Government. If it is its intention to reverse the cuts, it would have a blueprint and reference point for the forthcoming budget. The next Minister for Social Protection could then talk to his or her counterpart in the Department of Finance about it. It is a perfectly reasonable amendment and I urge the Minister of State to accept it.

Deputy Aengus Ó Snodaigh: I support this proposal. I would have gone further and called for reports on the terms of the changes introduced to the lone parent allowance and for young people in receipt of jobseeker's allowance. Again, these were meant to be emergency measures, but we have not seen either being rowed back on.

The Government has announced there is a recovery and that we are in a different era. Accordingly, if the general election is held in February, the proposed reports would be finalised when parties are in the middle of discussions on a future programme for Government. It is important that any future Government look at the effects of various social welfare changes introduced in the past few years under this and the previous Government and see how quickly they cuts could be rowed back on. It is also important to look at how the cuts affected particular sections of society in receipt of these payments.

Inflation, since the Government took office, is running at about 5%. Even if all of the payments were to be restored, they would still be lower than what their true value would have been five years ago. We need to be mindful of this in any discussion on the matter.

Deputy Kevin Humphreys: I welcome Deputy Willie O'Dea's confidence that the Government will be returned.

Deputy Willie O'Dea: I did not say that.

Deputy Dara Calleary: He was referring to the Minister of State's own confidence.

Deputy Colm Keaveney: He was referring to Fine Gael.

Deputy Willie O’Dea: It was tongue in cheek.

Deputy Kevin Humphreys: When the Deputy is looking at his ballot paper in the general election and wants the Government to be returned, he might consider voting No. 1 for the Labour Party since his own seat is so safe.

Deputy Willie O’Dea: No. 1. I will give it my No. 2.

Deputy Kevin Humphreys: The Government is not taking it for granted for one minute that it will be returned. However, I thank the Deputy for his support. It is really heartening, coming from a Deputy such as him that there is an expectation that the Government will be returned.

Acting Chairman (Deputy Robert Troy): Will the Minister of State, please, keep to the amendment?

Deputy Timmy Dooley: Deputy Willie O’Dea is only trying to protect those who are almost extinct.

Deputy Kevin Humphreys: The information the Deputy is requesting is freely available by way of parliamentary questions. I am not going to waste the time of the House by going through every single cut introduced by the previous Administration because it crashed the economy.

Deputy Aengus Ó Snodaigh referred to the recovery. It has started, but, unfortunately, not for everybody. I welcome the unemployment figures announced yesterday which show that the rate dropped below 9% for the first time. The number in employment has increased by 56,000 in the past 12 months, while we have seen a drop in the number of those in part-time work as they move into full-time work. Over 1,100 people return to full-time employment every week, which must be welcomed. When somebody finds a full-time job, the recovery is under way. For the many thousands who have not been able to get back into employment, I accept that they are not feeling it. However, it is the Government’s determination to get back to a position where there is full employment.

I do not see the point of inserting Deputy Willie O’Dea’s amendment in the Bill. The information is available by way of parliamentary questions, as well as being available in pre-budget consultations. It is up to this and future Governments to decide how increased resources should be spent. I will not be accepting the amendment, but I thank the Deputy for his good wishes.

Debate adjourned.

Topical Issue Matters

Acting Chairman (Deputy Robert Troy): I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 27A and the name of the Member in each case: (1) Deputy Brendan Griffin - the risk of over-regulating credit unions by the signing of an upcoming statutory instrument; (2) Deputy Jim Daly - the need to control the spread of knotweed and other invasive non-native species; (3) Deputy Bernard J. Durkan - the need to address the stalled works at the town centre developments in Naas,

County Kildare; (4) Deputy Colm Keaveney - the need to address the standard of treatment of acute scoliosis in Galway University Hospital; (5) Deputy Shane Ross - the need for a review of the fair deal scheme where there is no distinction in certain specific circumstances between the elderly infirm and the chronic sick; (6) Deputy Joe Carey - the need to secure an alternative investor for the Roche Ireland plant in Clarecastle, County Clare; (7) Deputy Caoimhghín Ó Caoláin - the need to address concerns about the commencement of the group home in Carrickmacross, County Monaghan; (8) Deputy Denis Naughten - the need to secure replacement jobs in Carrick-on-Shannon, County Leitrim following recent job losses; (9) Deputy John McGuinness - the need for the HSE to establish adequate supports in Carlow-Kilkenny for the Camphill and L'Arche organisations in their provision of services for people with disabilities; (10) Deputy Mattie McGrath - the need to make prematurity and neonatal health a national health care policy priority and to protect and expand early intervention services; (11) Deputy Lucinda Creighton - the need to address the leaking of sensitive information on ongoing criminal investigations by An Garda Síochána to certain media outlets; (12) Deputy Dara Calleary - the need for the Minister for Jobs, Enterprise and Innovation to discuss the increased competitiveness of the United Kingdom as a location to establish a business compared to Ireland; (13) Deputy Paul J. Connaughton - the need to address the unacceptable delay in processing times for Garda vetting; (14) Deputy Michael McNamara - the need to address concerns about the reduction in the Shannondoc service in County Clare; (15) Deputy Joan Collins - the need to discuss the recent meeting with Respond regarding the threatened closure of Cuan Álainn women's refuge centre, Dublin 24; (16) Deputy Pat Deering - the need to support Irish upland partnerships through increased funding for the Heritage Council; (17) Deputy Andrew Doyle - the need to support Irish upland partnerships through increased funding for the Heritage Council; (18) Deputy Brian Stanley - the need to increase funding for CCTV cameras to be made available in rural areas to combat crime; (19) Deputy John Browne - the need to ensure there will be no reduction in either services or staff at the Maryville mental health centre, New Ross, County Wexford; (20) Deputy Seán Ó Fearghaíl - the need to address issues raised in the report from the UN Office for the Co-ordination of Humanitarian Affairs on the serious drought in Ethiopia; (21) Deputy Michelle Mulherin - the supports available to private community respite care homes in receipt of assistance from the HSE but which are required to undertake substantial capital works such as Marian House, Ballinadine, County Mayo; (22) Deputy Billy Kelleher - the need the address the Government's abandonment of its commitments on universal health insurance; (23) Deputy Tom Fleming - plans to postpone the signing of the remaining sections of the commencement order of the Credit Union and Co-operation with Overseas Regulators Act 2012 in order to allow further discussions on Regulation CP88; (24) Deputy Clare Daly - the need to review the regular and ongoing use of Shannon Airport by the US military; (25) Deputy Mick Wallace - the need to review the regular and ongoing use of Shannon Airport by the US military, especially in the light of the recent terrorist attacks in Paris; (26) Deputy Barry Cowen - the need to discuss the global valuation of public utilities recently carried out by the Commissioner of Valuation and potential implications for commercial rates for local businesses; (27) Deputy Robert Troy - the need to address the imposition of a full producer responsibility initiative on waste tyres, particularly in the context of Repak's monopoly position in the disposal area; and (28) Deputy Anthony Lawlor - the need to consider the construction of a second bridge over the River Liffey at Celbridge, County Kildare, to relieve traffic congestion.

The matters raised by Deputies Joe Carey, John Browne, Mattie McGrath and Michael McNamara have been selected for discussion.

12 o'clock

Leaders' Questions

Deputy Micheál Martin: In his political messages and speeches to the people and this Dáil, the truth simply does not matter to the Taoiseach. He will say anything to get elected. He will say anything to cover up something. He will deny reality and the truth when it stares him in the face. Language means nothing-----

An Ceann Comhairle: We do not normally attack people by saying they have been telling untruths in the Chamber.

Deputy Derek Keating: What a charge.

Deputy Micheál Martin: Language means nothing to the Taoiseach. He breaks promise after promise-----

Deputy Ray Butler: Fourteen years.

Deputy Micheál Martin: -----believing that media management will take care of everything. Nowhere is this behaviour more manifest than in the Government's abandonment of universal health insurance, which was the cornerstone of its health philosophy for the past ten years and longer. The Taoiseach promised it in 2007 and in 2011. He said it would eliminate the number of people waiting on trolleys, reduce waiting times and provide equal access to all. Instead we have record numbers of people on trolleys, record waiting times and morale at an all time low in our health service.

The Taoiseach has been in denial for the past five years on this issue. In here he has kept on saying the Government would deliver universal health insurance. He even said that a time of economic crisis was the best time to deliver it. He was told repeatedly that it was unworkable by officials in the Department of Public Expenditure and Reform and the Department of Finance. He was told this in an independent study commissioned by Fianna Fáil and offered to him by Deputy Billy Kelleher. That study raised the very same concerns KPMG and the ESRI have now raised and which have resulted in the abandonment of this policy. The Irish Medical Organisation said it would go down in history as one of the greatest mis-sellings of health policy ever.

An Ceann Comhairle: A question, please.

Deputy Mattie McGrath: Where is the Minister?

Deputy Micheál Martin: The Taoiseach dismissed all of this. He rebuked all and sundry who questioned it. The IMO said it is one of the biggest cases of political mis-selling in recent history. My question to the Taoiseach is this. How did he get it so wrong and make such a mess of it? One senior Labour Party Minister said this was an astonishing mess. He said the Labour Party was for universal health insurance in principle - as the Labour Party is for everything in principle - but not this mess.

Deputy Mattie McGrath: Another fine mess.

Deputy Micheál Martin: Why would anyone believe anything the Taoiseach says on health policy ever again?

Deputy Mattie McGrath: Paddy needs to know.

An Ceann Comhairle: Would Deputy McGrath please stay quiet?

The Taoiseach: I reject Deputy Martin's assertions. The Government remains committed to the ending of a two-tier health system which clearly has inadequacies and inefficiencies. The Government is still committed to the implementation of universal health care funded by a universal health insurance model.

Deputy Willie O'Dea: Is that so?

The Taoiseach: The Government commissioned the ESRI to carry out a report on the costings in respect of the universal health insurance model put forward in its programme for Government. The Government has taken into account the findings of the ESRI report and will not implement the findings of the report in respect of this particular model given the costings and the levy which would be imposed on people.

While I could quibble with elements of the ESRI report in terms of margins, transaction costs or unmet needs costs, the fact of the matter is that far from ignoring the truth, reality and reports, the Government takes into account the findings of the ESRI report and I note that the author was very clear this morning when talking about this particular model of universal health insurance.

The Government and the Minister intend to continue on the path of reform which has been under way for a number of years. We will commission further work as envisaged by the ESRI in its report. Other models of funding should be, can be and will be examined. From Government's perspective, we want to continue to hold to the ending of the two-tier health system. We want to introduce universal access to health care based on medical need and we will continue to look at funding models which are different to this particular model examined by the ESRI. The ESRI produced its findings at the request of Government, which commissioned this report, following the publication of the universal health insurance White Paper published in 2014. That is slightly different from Fianna Fáil's programme for health, which was rejected by Deputy Martin's author.

Deputy Micheál Martin: George Washington once said it is better to offer no excuse than a bad one. I respectfully put to the Taoiseach that what I said at the outset is reflected again in his reply. Language means absolutely nothing to him. He will say anything. He has just now said he does not propose to implement the findings of the ESRI report. The ESRI report is an evaluation of the model that his Government and he approved in the White Paper 18 months ago. Does the Taoiseach get that?

Deputy Michael Healy-Rae: Yes, but he said a lot then.

(Interruptions).

Deputy Bernard J. Durkan: Deputy Martin never fails to amaze me.

Deputy Micheál Martin: The ESRI, KPMG and others have said what the Taoiseach was proposing in his model and said represented value for money would potentially cost a family

with up to two children approximately €8,000 to €9,000 and would cost the State approximately €6.5 billion. Now the Taoiseach comes in here and says the Government is no longer doing “that” model. The Taoiseach spent ten years telling the people that he was going to implement that model-----

Deputy Regina Doherty: What has Deputy Martin’s model done?

Deputy Micheál Martin: -----but he did no research. There was no blueprint, because it did not matter. The truth did not matter to the Taoiseach before the last election and it did not matter to him for the past five years.

An Ceann Comhairle: Will Deputy Martin put his question, please?

Deputy Micheál Martin: The Taoiseach did not have a bull’s notion how he was going to get there-----

(Interruptions).

An Ceann Comhairle: Will Deputy Martin put his question?

Deputy Micheál Martin: -----and he still does not know, because he just talks about models.

(Interruptions).

An Ceann Comhairle: Will the Deputy put his question?

Deputy Micheál Martin: I will indeed. I put it to the Taoiseach that the Labour Party Minister is correct that this is an astonishing mess.

Deputy Mattie McGrath: Where is the Labour Party Minister?

(Interruptions).

Deputy Micheál Martin: The Minister said the Labour Party was for universal health insurance in principle but not this mess-----

An Ceann Comhairle: Deputy Martin is over time. Will he put his question?

Deputy Micheál Martin: He said there are still large chunks missing and asked how we can have an intelligent conversation when we have no figures.

An Ceann Comhairle: Is Deputy Martin going to put his question or not?

Deputy Micheál Martin: He said that last year. That is the key point. The Taoiseach does not believe in the public having an intelligent conversation about anything to do with policy or health.

Deputy Ray Butler: Deputy Martin and his party did it for 14 years.

Deputy Micheál Martin: He believes in delusion. He underfunded the health service. He created-----

Deputy Bernard J. Durkan: Deputy Martin created the HSE.

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An Ceann Comhairle: Deputy Martin is not listening to me. He is way over time. Will he put his supplementary question?

Deputy Micheál Martin: -----the long waiting lists and the trolley numbers but covered it all up by saying that there will be a grand universal health insurance plan, but it will not be delivered within the next ten years.

(Interruptions).

Deputy Micheál Martin: The Taoiseach should tell the truth for once on this issue. He broke his promise and has failed in this key area of Government policy.

Deputy Ray Butler: The IMF and the troika are not here.

Deputy Finian McGrath: Paddy is not happy, Taoiseach. He is not happy.

(Interruptions).

An Ceann Comhairle: Settle down. There is no point in getting excited. Would you all settle down, please? Allow the Taoiseach to reply.

The Taoiseach: I recall Deputy Martin's words when he occupied the Department of Health about the extent of money being put into it. He said there was never going to be enough. I recall him saying he would end waiting lists for once and for all.

Deputy Mattie McGrath: The Taoiseach said it would end here.

The Taoiseach: I recall his personnel, payroll and related systems, PPARS.

Deputy Micheál Martin: We got an awful lot more done than the Taoiseach.

The Taoiseach: I recall so many things but, at the end of the day, Deputy Martin is the only Minister for Health I can remember who denied responsibility for anything that happened in the Department.

Deputy Mattie McGrath: Where is your Minister?

The Taoiseach: The Deputy ran away from it.

Deputy Timmy Dooley: The Taoiseach is out on a wing on this one.

Deputy Niall Collins: The Taoiseach is Han Solo.

(Interruptions).

An Ceann Comhairle: Please stay quiet.

Deputy Timmy Dooley: Where is the Labour Party today?

The Taoiseach: I will return to the Deputy's central charge. Yes, the Government commissioned the ESRI to conduct a study on the implications of funding in respect of a particular model of universal health insurance.

Deputy Róisín Shortall: Your model.

Deputy Micheál Martin: It is your model. It is in the White Paper.

The Taoiseach: Yes. Is anybody infallible? Deputy Martin denied all responsibility for reports commissioned. I accept the report of the ESRI-----

Deputy Micheál Martin: It is not going to happen.

The Taoiseach: -----and the Government will not continue with that particular universal health insurance funding model.

Deputy Colm Keaveney: Your model is down the drain.

Deputy Mattie McGrath: The Fine Gael model.

The Taoiseach: The author of the report pointed out, as we know and as the Minister conveyed to the Government, that there are other models of multi-payer insurance funds that can be examined, and will be examined now.

Deputy Micheál Martin: The Government was told this by the Department of Public Expenditure and Reform. It did not need this report.

The Taoiseach: In the meantime, we have the challenge of reform and structural changes ranging from hospital groups to money follows the patient and the Department of Children and Youth Affairs-----

Deputy Colm Keaveney: Waiting lists.

The Taoiseach: Yes, there are waiting lists-----

Deputy Colm Keaveney: Children are waiting three years for an intervention.

The Taoiseach: -----and there is the question of trolleys, the fair deal and the medical cards. All of these matters will have to be dealt with in any event in respect of whatever alternative funding model is put in place.

Deputy Micheál Martin: The Taoiseach provided dishonest budgets for three years.

The Taoiseach: The Deputy's model is to increase tax and continue with an inefficient two-tier system.

Deputy Timmy Dooley: Yours will be much more efficient if you will not treat the people. More will die.

The Taoiseach: Ours is universal health care funded by universal health insurance, a particular form of money. I reject the Deputy's assertions.

Deputy Timmy Dooley: Your efficiency is to let them die.

Deputy Gerry Adams: Does the Taoiseach recall his notorious five-point plan?

The Taoiseach: Notorious?

Deputy Gerry Adams: Yes. It promised a new health system. It promised to eliminate long waiting lists, the two-tier health system, trolley waits and to introduce a universal health

insurance scheme - fair care. Sinn Féin warned that this would not work, as did other parties and independent health experts, but the Taoiseach would not listen. This morning, the Minister, Deputy Varadkar, in a car crash interview said that instead of a concrete plan for health, the Government has a vision. The people languishing on trolleys this morning do not need a vision; they need a solution. The Minister, Deputy Varadkar, like the Taoiseach, offers no solution. He asserted that the universal health insurance scheme remains the Government's preferred model, as the Taoiseach has repeated. This is clearly due to Fine Gael's ideological position which favours the interests of private health insurance companies over the interests of patients and their families. This is a for-profit position. The Minister, Deputy Varadkar, insists that he is merely shelving this proposition. He then went on to say that it would not happen in the next Dáil if, God forbid, the Government is re-elected. He says it might be done in the following Government's term.

Universal health care based on health needs, not on wealth, paid for by direct taxation and free at the point of delivery is the only fair and viable model to deliver the rights of citizens through a truly public health service. Will the Taoiseach take the opportunity this morning to rule out, once and for all, his unfair, for-profit model which patently has been taken off the agenda by the Minister for Health?

The Taoiseach: Deputy Adams has raised perfectly legitimate questions on health over the years in this Chamber. Many of those questions relate to the inefficiency of a two-tier health system. The Government's view and commitment is to end the two-tier health system, and its commitment is to have a funding model through universal health insurance to pay for that. The Government put forward a particular model of universal health insurance and it commissioned the ESRI to conduct a report on it. That report was prepared and was received by the Government. It sets out the ESRI's analysis of the funding costs and the implications of that for families, insurance and the health system in general. I could argue about elements of transaction, unmet needs or margins in respect of insurance companies, but I confirm that the Government will not proceed with that model of universal health insurance as funding for universal health care.

Deputy Timmy Dooley: The Fine Gael model.

The Taoiseach: The Deputy's and other Deputies' constituents are entitled to a universal health care system that delivers medical attention based on their medical needs-----

Deputy Róisín Shortall: When will they get it?

The Taoiseach: -----as distinct from their salaries, incomes or what they have in their pockets. The way to do that is to put in place all of the building blocks required to restructure a health system that clearly has inefficiencies. There have been problems in respect of medical cards, the fair deal, waiting lists, trolleys and particular cases that arise from time to time.

Deputy Róisín Shortall: That has nothing to do with the model.

The Taoiseach: The Government has moved on reform in respect of children under six years of age and people over 70, removing children from the Department of Health by creating the Department of Children and Youth Affairs, dealing with the stabilisation of the private health insurance market and in many other areas where good things are happening throughout the health system. Clearly, however, there are serious challenges ahead and the Government remains committed to the path of reform, through the implementation of reforms and ending the

two-tier health system, and the funding of that through an appropriate, but different, universal health insurance model.

Deputy Gerry Adams: In the dying days of the Government, the Taoiseach has eventually confessed that he has abandoned the scheme he favoured. Let us consider the other promises the Taoiseach has broken. The programme for Government committed to free GP care for all, an end to prescription charges, introducing universal health insurance and the abolition of the HSE. None of this has happened, and none of it will happen. Does the Taoiseach not agree that in the transparent, open and accountable democratic revolution he promised, such abject failure should be a resigning matter? His flagship health policy has collapsed. Will the Taoiseach resign on this issue?

Deputy Bernard J. Durkan: Is Deputy Adams thinking about that himself?

Deputy Gerry Adams: The Taoiseach promised to provide a modern, fair and accessible health service, but he has failed miserably to do that. In 2013, the former Minister, Deputy James Reilly, said we will never again see 569 people on trolleys on a single day while the Government is in office. The Taoiseach made the same promise. Last month, there were record numbers of patients on trolleys, many of them elderly. The Government is responsible for a health service in complete chaos. Is it not time to admit that the five-point plan was a five-point sham? The truth is the Government has no plan, no solutions and now does not even have the pretence of a policy on health.

The Taoiseach: I am not sure who the Deputy's poet is, but he could do better than that. The Deputy asks me to resign every couple of months.

Deputy Gerry Adams: The Taoiseach will eventually.

The Taoiseach: I presume Deputy Adams is trying to drive his point home.

Deputy Micheál Martin: In fairness, the Minister, Deputy Varadkar, did too.

Deputy Mattie McGrath: Where is he?

The Taoiseach: In the spring of 2016 I will leave this chair, go to Áras an Uachtaráin and ask the President to dissolve the Dáil. I will be happy to contest throughout the country on the mandate the people gave us to fix our public finances and to put the country back to work.

Deputy Timmy Dooley: Will the Taoiseach do a couple of live debates around the country?

The Taoiseach: I do not know if Deputy Adams has met any parents of children under six years of age.

Deputy Colm Keaveney: It will be a tall order in Roscommon.

Deputy Mattie McGrath: It is a fallacy.

Deputy Timmy Dooley: Is this the fellow with the two pints?

An Ceann Comhairle: Quiet, please.

The Taoiseach: They say the introduction of free GP care is a very good thing for their children, as they do not have to pay at the point of access. People over 70 years of age will tell

the Deputy the same. The Government has committed that the next stage is to give free GP access to all the children of working families. Some of them might be covered by medical cards already. Clearly, the Deputy does not think that is a good idea, nor does he appear to think that building 45 primary care centres, with others under construction, is a good thing either.

Deputy Gerry Adams: Is universal health care as a right in a so-called republic a good idea?

The Taoiseach: Perhaps Deputy Adams does not have any concept of what good community care means. He does not appear to appreciate that patients who are able to live at home and have quality home care packages is a good thing. He also does not appear to like the fact that waiting times for the fair deal are now down from 18 weeks to four weeks-----

Deputy Micheál Martin: The Government put it up to 14 weeks.

The Taoiseach: -----which is a very manageable and fair system.

What we have tried to do is implement a series of measures-----

Deputy Aengus Ó Snodaigh: They failed miserably.

The Taoiseach: -----in a very challenging position when we inherited the economic mess that the other crowd left us with-----

Deputy Timmy Dooley: If his five-point plan was implemented, we would see where we are.

The Taoiseach: -----to produce a health system that will end the two-tier system and will have universal health care for everybody, so Deputy Adams will not have to go to America the next time he requires this.

Deputy Michael Fitzmaurice: Over the last number of years, in this country and other countries in Europe, we heard great talk about a cashless society, where everyone was moving to cards and going away from chequebooks. I know the Taoiseach is an admirer of European policy and he has bought into this idea of a cashless society.

Fine Gael often talks about SMEs. They are the backbone of business across the country. At the moment, the banks have a new Houdini act which they are doing around Ireland with farmers and people who always had chequebooks, telling them of this great idea of a business debit card. When businesses heard of a debit card, it was always in terms of a transaction cost of approximately 17 cent to the business, and they bought into that. Sadly, I have been contacted by many businesses around the country in the past few weeks because the banks have been pushing those new business cards onto farmers and businesses and they have been accepted by merchants and marts around the country. A person can spend €10,000 in a mart on five or six animals, pay for meal at a merchant's or be in the process of building a house with costs of €40,000, €50,000 or €60,000 at the local hardware business. Those cards have been put forward but it is to the detriment of small businesses, who have found a huge charge is being put upon them. One person telephoned me last week to tell me that in the last month, they have lost €2,800 by accepting these cards.

Deputy Mattie McGrath: Bank robbers.

Deputy Michael Fitzmaurice: This is a scandalous situation that small businesses have to contend with in this country.

An Ceann Comhairle: A question, please.

Deputy Michael Fitzmaurice: The reality is that if a person is building a house with €50,000 or €60,000 worth of materials, the person that supplied them, that is, the merchant or the hardware business, would pay back to the bank approximately €1,000 of the money they took in because they accepted this card.

Deputy Mattie McGrath: It is outrageous.

Deputy Michael Fitzmaurice: This is a scandalous situation. As bad as the chequebook situation was, where a person might write five, six or eight cheques and they cost approximately 70 cent each to the person that was writing them, what is happening now-----

An Ceann Comhairle: Will you put your question, please?

Deputy Michael Fitzmaurice: People are being lured in by this new great card they are being given. The people who have accepted them are being robbed by the banks, with what is going on.

An Ceann Comhairle: Sorry, will you put your question? You are way over time.

Deputy Michael Fitzmaurice: I ask the Taoiseach to join with me and make it very clear to businesses, while this con job is going on around the country, in the banks that we have bailed out-----

An Ceann Comhairle: Thank you, Deputy.

Deputy Michael Fitzmaurice: -----that people are told to continue using their cheque-book-----

An Ceann Comhairle: Sorry, Deputy. I will have to cut you off.

Deputy Michael Fitzmaurice: The situation at the moment, in most places, be it in marts or in business-----

An Ceann Comhairle: Deputy, will you please obey the Chair?

Deputy Michael Fitzmaurice: -----is that they are not accepting those cards.

An Ceann Comhairle: Deputy, you are a minute and a half over your time. Would you please sit down? Thank you.

Deputy Michael Fitzmaurice: Will the Taoiseach join with me and put out this warning to the Irish people?

An Ceann Comhairle: Before the Taoiseach responds, I ask the Deputy to respect the Chair when his time is up.

Deputy Michael Fitzmaurice: Everyone else talks as long.

Deputy John Halligan: Sinn Féin and Fianna Fáil got longer to speak.

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An Ceann Comhairle: I deal with those issues. You mind your own business. I call the Taoiseach.

The Taoiseach: Deputy Fitzmaurice raises a valid point. I suggest that some of those small businesses and individuals who feel they are being overcharged by banks should raise the matter with the Credit Review Office, which is an independent authority as ombudsman. I get the impression the Deputy is talking about somebody building a house in rural Ireland who does so through subcontractors or by piece work, although one would write more than six cheques to do that, according to people who work in that business.

The Government has a very clear policy about the promotion of SMEs, access to credit for SMEs and the setting up of the local enterprise offices in order that SMEs can do business, set up a business, hire people and make it easier for business to be conducted. The banks have their individual policies and, in respect of mortgages and other issues, people are advised to check the possibility of switching from one bank to another for the offers and benefits they may get. I suppose debit cards are an invitation to continue debiting and, clearly, there are charges and a cost for that.

I suggest this is an issue that should receive some focus from the Credit Review Office and from the Central Bank, which regulates the banking system. If the Deputy wants to give me details of the person he mentioned, I would be happy to follow it up for him.

Deputy Michael Fitzmaurice: This is a problem that has arisen over the last two months, where banks have said to their customers, "We are moving from cheque books and we are going to give you this card". Businesses accepted those cards in good faith, believing there would be the normal charge. There is a duty on politicians to explain to businesses what is going on. We do not want to see businesses losing money because some of them are on their knees. I am not talking only about building a house. I am talking about a person going into a mart and paying €10,000, €12,000 or €15,000 for cattle, or about someone paying their local merchant every month for meal.

This is the problem that has arisen. If a person uses the card, it is charged at 1.5% of the total transaction. If it is done over the telephone, they are charging up to 2%. This is coming from banks that we, as the taxpayers, own 99% of. I think there is a duty on us to encourage people to continue to use their chequebooks until this mess is sorted out. There is only one way the banks will learn or get the message. If people do not use the item they are given, and if they stay on the same path they were on, then sooner or later the banks will get the message. This has to come from us, as politicians.

The Taoiseach: That is why the Government is interested in the future of post offices and credit unions-----

Deputies: It is closing them down.

Deputy Michael Healy-Rae: Tell that to Joan.

The Taoiseach: -----and the opportunity that exists for people to check the different range of opportunities that banks offer here. Whether we like it or not, we are moving towards a situation where electronic payments become more and more prevalent, and we see them everywhere now.

Deputy Mattie McGrath: Big Brother.

Deputy Peter Mathews: Why is that good?

The Taoiseach: Whether people do business from their mobile telephone or on a credit card, it is all moving in that direction. How many people can the Deputy find in a bank any more? The machines talk back at us and so on.

Deputy Mattie McGrath: We cannot trust the banks.

The Taoiseach: The Deputy makes a valid point about businesses losing money. Businesses and their accountants should be acutely aware of the range of systems and options that are open to them. It is an important point. Whether we like it or not, in five or ten years time, we will have moved ultimately to electronic payments.

Deputy Peter Mathews: The Barclays scam of several billion was an electronic one. All the big scams are electronic.

The Taoiseach: Every retailer and business should be online and every individual now buys much of their ordinary consumer goods online.

Deputy Mattie McGrath: Pie in the sky.

The Taoiseach: The chequebook is going, one way or the other.

Deputy Michael Fitzmaurice: He means it is okay for the banks to rip off businesses.

The Taoiseach: The Deputy is raising the alternative and the consequence, and I take his point.

Order of Business

The Taoiseach: It is proposed to take No. 13, motion re ministerial rota for parliamentary questions; No. 42, Social Welfare and Pensions Bill 2015 - Report Stage (resumed) and Final Stage; No. 43, Financial Emergency Measures in the Public Interest Bill 2015 - Order for Report Stage and Report and Final Stages; No. 44, Electoral (Amendment) (No. 2) Bill 2015 - Order for Report Stage and Report and Final Stages; and No. 1, Equality (Miscellaneous Provisions) Bill 2013 [*Seanad*] - Second Stage.

It is proposed, notwithstanding anything in Standing Orders, that: (1) the Dáil shall sit later than 9 p.m. and adjourn not later than 10 p.m.; (2) No. 13 shall be decided without debate; (3) in the event of a division being in progress at the time fixed for the taking of Private Members' business which shall be No. 217, motion re housing (resumed) Standing Order 121(3) shall not apply and Private Members' business shall, if not previously concluded, be brought to a conclusion after 90 minutes.

Tomorrow's business after oral questions shall be: No. 42, Social Welfare and Pensions Bill 2015 - Report Stage (resumed) and Final Stage; No. 43, Financial Emergency Measures in the Public Interest Bill 2015 - Order for Report Stage and Report and Final Stages; No. 45, Choice of Court (Hague Convention) Bill 2015 [*Seanad*] - Order for Report Stage and Report and Final Stages; No. 46, Criminal Justice (Mutual Assistance) (Amendment) Bill 2014 [*Seanad*] - Order

for Report Stage and Report and Final Stages; No. 8, Health Insurance (Amendment) Bill 2015 - Order for Second Stage and Second Stage; and No. 1, Equality (Miscellaneous Provisions) Bill 2013 [*Seanad*] - Second Stage.

An Ceann Comhairle: There are three proposals to be put to the House. Is the proposal for dealing with the late sitting agreed to? Agreed. Is the proposal for dealing with No. 13, motion re ministerial rota for parliamentary questions, without debate, agreed to? Agreed. Is the proposal for dealing with Private Members' business agreed to? Agreed.

Deputy Micheál Martin: It was appropriate that we had a minute's silence in the Dáil yesterday and statements from all parties on the appalling atrocity in Paris. However, I do not believe the Government should have taken the decision to remove all other items of business from the schedule, in particular, the Order of Business, Leaders' Questions, Taoiseach's Questions and Topical Issues. All of these items should still have been facilitated in yesterday's sitting. The Dáil could have sat earlier. After all, the Cabinet meeting adjourned earlier in order to make announcements on school buildings and so on.

The point I wish to make is that there has been an ongoing approach to Dáil business which seems to ensure there will be as little accountability as possible on the Government side. The Dáil sat for five days in September, for only ten days in October and there will probably be a few late night sittings in December to guillotine the debates and ram through legislation. The Taoiseach stands accused of making the Dáil a plaything, something to be undermined. This has been ongoing for a number of years, but the situation has been particularly acute since May. We have had one day sitting weeks and two sitting day weeks after a bank holiday. The Taoiseach is demeaning and undermining the Dáil-----

An Ceann Comhairle: I am sorry, but this is the Order of Business.

Deputy Micheál Martin: -----and the democratic revolution he promised is like universal health insurance, another illusion and denial of the truth.

The second issue I wish to raise concerns the announcement the Taoiseach made to the House last week on the inquiry into Siteserv, the activities of IBRC and the disposal of assets. Some 11 questions I have submitted on the subject have been ruled out of order. They relate to when the Minister for Finance became aware of issues to do with the inquiry, when the Taoiseach or his Department became aware or were informed of possible delays and if, to his knowledge, there had been objections to information being released. Six or seven of the questions I have submitted relate to the Taoiseach's responsibilities. Incredibly, I have been told by the Ceann Comhairle that the Taoiseach has no official responsibility to Dáil Éireann in these matters, that they are matters for IBRC which is independent in the performance of its functions. I have also been told that the Minister for Finance has no official responsibility to Dáil Éireann in these matters, that they are matters for the commission which is independent in the performance of its functions. I contest this decision and will write to the Office of the Ceann Comhairle about the issue because I do not understand how a simple question about when the Minister for Finance or the Taoiseach became aware of something is not a legitimate one to ask of them. The Taoiseach made a commitment to the House that in the ordering of its business there would be provision for a debate on this issue and that he would consult-----

An Ceann Comhairle: I am sorry, but we are six minutes into the Order of Business already.

Deputy Micheál Martin: As I am entitled to ask a question on the Order of Business about the scheduling of business, please do not interrupt me when I am in order. The Taoiseach said he would consult leaders and that there would be a debate. When is that debate going to take place and when will provision be made on the Order Paper to enable it to happen?

We were told there was to be inclusion of €600 million in a Supplementary Estimate for the Department of Health, but we have now been told that that may not be the final figure. It could be higher, which shows how dishonest that budget figure was. The final figure will need to reflect the outcome of the latest review of the HSE. When can we expect the Minister for Health to present the Supplementary Estimate to the Dáil?

The Taoiseach: I made it clear to the Whip that if it was the wish of Opposition parties, I had no objection to taking Leaders' Questions yesterday. However, it was felt that, given the atrocity in Paris and the requirement for a particular environment here, the arrangements should be as they were. That request came from a number of Opposition Members. It was not a direction from me that the schedule be as it was.

Deputy Micheál Martin: It was. An e-mail was issued stating the Government had decided on the schedule for the day.

The Taoiseach: When the schedule was issued on Monday, no Member from any Opposition party responded to suggest it should be otherwise. Clearly, I would have been quite willing to deal with other business.

I have already answered questions about Siteserv and when the matter came to the notice of the Department, but I do not know what questions Deputy Micheál Martin has submitted as I have not seen them. I happen to be the receiving Minister and mine is the receiving Department for the interim report, on which I expect we will have a debate next week. I expect to publish the report this week. The Deputy will receive a copy of it and we will have a debate, as is appropriate, next week.

All of the Supplementary Estimates, with the exception of those for the Departments of Health and Social Protection, have been dealt with. They will be dealt with shortly.

Deputy Gerry Adams: The Taoiseach says he will publish the interim report of the commission of investigation this week. It would be useful to know when he is going to do so. Questions put by our finance spokesperson, Deputy Pearse Doherty, on the issue have also been disallowed and this is a matter we will raise with the Ceann Comhairle.

An Ceann Comhairle: I am sorry to interrupt, but on the disallowance of questions, there is a procedure and system in place for questions that are referred to me for confirmation or rejection. This is done entirely in accordance with Standing Orders. There is a procedure in place and staff will be only too pleased to advise on what is and is not in order.

Deputy Gerry Adams: With respect, we know what the procedure is. I am simply mentioning that we have been advised that the Taoiseach, as he may be aware, is not responsible to the Oireachtas for these issues. These are hugely important issues which have led to the establishment of a commission of investigation, but we are told the Taoiseach is not responsible to the Oireachtas for them. However, we can leave it at that to be considered at a future time.

I want to ask about promised legislation on rents and for a debate on the North. A recent

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daft.ie survey reveals that rents continue to spiral out of control. We warned the Government about this. Many observers also warned that its indecision on the issue over a period of months had led to some unscrupulous landlords pushing rents up by as much as €82 a month. In my constituency of Louth there has been a 12% increase. As we approach Christmas there are 1,500 children in the city of Dublin in homeless accommodation. When will the Government's proposed legislation be introduced to the Dáil and when does the Taoiseach expect it to become law?

On the issue of the North, I raise again the general point on the need for a regular routine debate on the North because it is so important to all of us across this island, not least to people in this State. Rather than have a debate on the back of a crisis or on allegations of one sort or another with controversy we need to be carefully watching, observing, encouraging and being helpful as is our constitutional requirement and as the Government is obliged under various agreements.

An Ceann Comhairle: I thank the Deputy.

Deputy Gerry Adams: Yesterday, after ten weeks of very intense and difficult negotiations we had the Stormont agreement, A Fresh Start. It is not a perfect agreement but nonetheless it is progress and it provides an opportunity to stabilise the political institutions-----

An Ceann Comhairle: I thank the Deputy.

Deputy Gerry Adams: Sorry, Ceann Comhairle.

An Ceann Comhairle: Sorry, when you are ready.

Deputy Gerry Adams: Go raibh maith agat. Regrettably there was no deal on the issue of legacy. The British are excusing this because they say there is a national security issue, but there is no rationale for events that happened 40, 30 or 20 years ago.

An Ceann Comhairle: This is the Order of Business. We cannot discuss Northern Ireland on the Order of Business. Some 12 minutes are used up already and a number of Deputies are offering. If it was a special debate that would be fine, but not on the Order of Business, please.

Deputy Gerry Adams: I am looking for a debate on this issue.

An Ceann Comhairle: That is fine.

Deputy Gerry Adams: I am trying to persuade the Taoiseach of the importance of the issue.

An Ceann Comhairle: I thank the Deputy.

Deputy Gerry Adams: Fair play to the Leader of Fianna Fáil who spoke for seven minutes.

An Ceann Comhairle: The Deputy is not too far off that himself.

Deputy Gerry Adams: No, I am not.

An Ceann Comhairle: This is not a contest between the Deputy and the Leader of the Opposition as to-----

Deputy Gerry Adams: Not at all.

An Ceann Comhairle: This is the Order of Business and I ask the Deputy to respect the Chair. A number of other Deputies are offering. I ask the Deputy to sit down.

Deputy Gerry Adams: The leader of Fianna Fáil wins the long-windedness competition all the time. I am raising a very serious issue.

An Ceann Comhairle: The Deputy has raised the issue.

Deputy Gerry Adams: The Ceann Comhairle has interrupted me a number of times. The fact is the British Government failed to honour its commitments under the original Stormont House agreement. That is a matter we need to ventilate and discuss here. I ask the Taoiseach if he will set time aside next week to debate the North following yesterday's agreement?

An Ceann Comhairle: I thank the Deputy.

The Taoiseach: In respect of IBRC, the Oireachtas set up a commission of investigation. That is the responsibility of the sole member dealing with that issue. An interim report has been received. I happen to be the Minister in the Department who has received that report. That is my function to receive it. I hope to publish the interim report by Mr. Justice Cregan this week.

Deputy Gerry Adams: When this week?

The Taoiseach: We have only got Thursday and Friday. I want to publish it in good time. I have to get authorisation that it does not conflict with any existing court cases. I hope to publish the interim report by Mr. Justice Fennelly on the question of the telephone calls to Garda stations today.

In respect of Northern Ireland I compliment the Minister for Foreign Affairs and Trade, Deputy Charles Flanagan, and the Minister of State, Deputy Sean Sherlock, on behalf of the Government and, indeed, all the members who contributed to more than ten weeks debate in respect of the Northern Ireland Stormont House agreement. I welcome the fact that a conclusion was reached and that an agreement on a whole range of issues has been put together. We will have a debate on this next Wednesday in the Dáil and we can set out the terms for all Members.

In regard to the question of rents which the Deputy raised, the Residential Tenancies (Amendment) (No. 2) Bill is currently going through Committee Stage in the Seanad. Amendments will be tabled in the Seanad in respect of the decisions made by the Minister for the Environment, Community and Local Government and the Minister for Finance and the Bill will come back to the Dáil in the last week in November.

Deputy Seán Ó Feargháil: In respect of the outstanding reports from the Constitutional Convention may we have an assurance that these matters will be dealt with in the House before the Christmas recess? In fairness to the Government Chief Whip, we have raised this issue with him and he has responded positively at a series of meetings in the past year. However, none of the deadlines in respect of the Constitutional Convention which the Taoiseach set for the reports to be dealt with in the House has been met. Is the Taoiseach embarrassed that last weekend a seminar was held, funded by his Department, to consider the effect of the Constitutional Convention?

The Taoiseach: I have given an undertaking - I might need the Deputy's help - to set aside time in the remaining weeks of this Dáil session for a proper debate here on the outstanding reports from the Constitutional Convention. Some of the issues it raised actually required quite

a deal of work in different Departments. I have given that undertaking and I hope to be able to honour it.

Deputy Ray Butler: May I ask the Taoiseach when can we expect publication of the criminal records information system Bill to provide for the exchange of criminal records information with other States and to implement the Council framework decision? As we have seen from the events of the last few days this Bill is needed now more than ever.

The Taoiseach: The Bill will not be published this year. For the information of the Deputy it will obviously be in 2016.

Deputy Peter Mathews: The House welcomed the Taoiseach's undertaking on Wednesday and the Tánaiste's undertaking twice on Thursday of last week, that one year bankruptcy legislation will be enacted and operational before Christmas. There are 13 sitting days left before Christmas. I hope it is receiving utmost priority in the Department of Justice and Equality.

The Taoiseach: It is proceeding. Working is taking place on that Bill. I have already said I hope to see it published and, hopefully if we have time, to enact it before Christmas.

Deputy Micheál Martin: Hopefully it will become the new operational word.

Deputy Thomas P. Broughan: I wish to put a few brief questions. When is it expected that the road traffic Bill and the judicial council Bill will be published? When first announced I thought it was intended to include in the judicial council Bill a register of interests for judges but the Minister is saying that may not be the case.

The Taoiseach: Both Bills will be published this session with the drug testing and the judicial declaration of interests.

Deputy James Bannon: Our national monuments are a very important part of our heritage.

An Ceann Comhairle: That is correct.

Deputy James Bannon: There are artifacts belonging to the regions and counties lying in vaults in Swords in County Dublin. When can we expect the national monuments Bill to be published? It is on the clár for nearly ten years.

The Taoiseach: It will be next year.

Deputy Olivia Mitchell: The Civil Registration (Amendment) Bill 2014 was enacted this time last year. I am aware its provisions will be implemented on a step by step basis but the provision in which I am particularly interested is the provision that requires unmarried parents to register the name of the father on the birth certificate of the child. Is there any prospect of that provision being commenced fairly soon, preferably before the end of this Dáil?

The Taoiseach: That is an important point that Deputy Mitchell has raised. I will discuss it with the Minister for Justice and Equality and come back to the Deputy.

Deputy Olivia Mitchell: I thank the Taoiseach.

Deputy Mattie McGrath: Throughout the country farmers and farm families are facing severe hardship due to the non-payment of farm payments. This is due to the subcontracting of the mapping project. Where mistakes occur, huge hardship is imposed not only on the particu-

lar farm family but the neighbouring families. It is a huge issue. What other sector of society would accept their payments or wages being held up? This is not acceptable. Under the data sharing Bill, data sharing is supposed to happen. Why can these corrections not be made-----

An Ceann Comhairle: We will get the information on the data sharing Bill.

Deputy Mattie McGrath: -----in advance of sending out the letters to farmers stating there is a problem? It is not fair to farmers and their families.

An Ceann Comhairle: The Deputy has made his point.

The Taoiseach: The data sharing Bill will be published next year.

Deputy Bernard J. Durkan: In respect of promised legislation, the investment limited partnership (amendment) Bill, have the heads been cleared and will it be ready to come before the House in this or the next session? Similarly, in respect of No. 95, the health (miscellaneous provisions) (No. 2) Bill which covers issues such as the Lourdes Hospital redress scheme, the Lourdes Hospital payments scheme, symphysiotomy payments scheme etc., is it likely to come before the House this session or early in the next session and have the heads been cleared? What is the status of the Health (Transport Support) Bill, a matter I have raised on a number of previous occasions? This Bill provides for a scheme to make individual payments as a contribution towards transport costs to people with severe disabilities who cannot access public transport.

The Taoiseach: The Health (Transport Support) Bill will be early next year. The health Bill referred to by the Deputy is due later next year. The heads have not yet been prepared for the investment limited partnership (amendment) Bill.

Deputy Willie O'Dea: Yesterday, the Tánaiste informed me during Question Time that it was the Government's intention to introduce legislation to deal with the issue of determination orders. These are orders made against an absent partner in respect of moneys paid by the State to lone parents where the State can recoup some of that money if the person in question is in a position to pay or contribute. When will this legislation be introduced? Is it imminent?

Last week, I asked the Taoiseach about a memorandum which the Minister for Public Expenditure and Reform was to bring to Government relating to people aged over 65 who are applying for social welfare payments. The Taoiseach promised to come back to me on that.

An Ceann Comhairle: We do not deal with memoranda to Government on the Order of Business.

Deputy Willie O'Dea: It is probably delayed in the Christmas post. The Taoiseach has not yet got back to me.

In the section on housing in the programme for Government, the Government promised to introduce a probationary period for new tenants in social housing. If they engaged in antisocial behaviour during this period of 12 months, their tenancy was to be automatically terminated. Will the Taoiseach confirm whether this has been introduced because to my knowledge, it is certainly not operating in Limerick?

The Taoiseach: I do not know but I will find out for Deputy O'Dea.

Deputy Micheál Martin: Who wrote the programme for Government?

An Ceann Comhairle: Could Deputy Martin settle down for a moment?

The Taoiseach: I heard the response of the Tánaiste yesterday about the issue of absent parents and determination orders. This is quite a complex issue and will require a legislative response. Obviously, the Tánaiste will deal with that with the Department. In the wake of Deputy O’Dea raising the memorandum to the Department of Social Protection last week, I sent a note to the Department of Social Protection and am awaiting a detailed response.

Deputy Robert Troy: The Taoiseach has sent notes about a question of mine to the Minister for Justice and Equality. My question concerns a statutory instrument awaited by many local authorities the length and breadth of this country so that they can deal with local authority tenants who consistently engage in antisocial behaviour. To be fair, I did receive a letter from the Minister for the Environment, Community and Local Government who confirmed the need for this statutory instrument to be put in place so local authorities can deal with families who persistently engage in antisocial behaviour. A housing estate in Athlone is being terrorised by one family. The local authority has gone to court three times and the court will not deal with it until this statutory instrument is published. When will the necessary statutory instrument be published by the Minister for Justice and Equality?

We are still awaiting much-needed adoption legislation that will give effect to the result of the children’s rights referendum despite the fact that the referendum was held three years ago.

An Ceann Comhairle: I think we have news for the Deputy.

Deputy Robert Troy: When can we expect this necessary legislation to come before the Houses of the Oireachtas?

The Taoiseach: That legislation will come before the House in this session. The letter received by the Deputy from the Department of the Environment, Community and Local Government clearly points out that an application by a housing authority for a possession order under Part 2 of the Act can be dealt with by the District Court, a concern under order 39(1) of the District Court rules, S.I. No. 17 of 2014. The house referred to by Deputy Troy can be repossessed by the local authority under existing District Court rules, as outlined to him in writing yesterday.

Deputy Barry Cowen: Last week, the Taoiseach said there would be legislation before the House by the end of the month relating to proposals to deal with the rent and housing crisis. The Minister for the Environment, Community and Local Government subsequently said it would be this week so could the Taoiseach clarify when this will be before the House and whether there will be adequate time to debate and scrutinise what is in it to make suggestions that could deal with this issue, which the Government has failed to do for the past 18 months?

The Taoiseach: I have already dealt with the question of rent. The Residential Tenancies (Amendment) (No. 2) Bill 2012 is before the Seanad. Amendments agreed by the Ministers for the Environment, Community and Local Government and Finance will be taken in the Seanad on Committee Stage and that Bill will come back here before the end of November. The second Bill raised by the Deputy relates to planning and will be brought before the House before it rises for the end of this session.

1 o'clock

Multi-Units Development (Amendment) Bill 2015: Second Stage (Resumed) [Private Members]

An Ceann Comhairle: A division was challenged last Friday on the question that the Multi-Units Development (Amendment) Bill 2015 be read a Second Time. In accordance with an order of the Dáil, that division must be taken now.

Question put:

<i>The Dáil divided: Tá, 43; Níl, 81.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Adams, Gerry.</i>	<i>Bannon, James.</i>
<i>Aylward, Bobby.</i>	<i>Barry, Tom.</i>
<i>Broughan, Thomas P.</i>	<i>Breen, Pat.</i>
<i>Browne, John.</i>	<i>Butler, Ray.</i>
<i>Calleary, Dara.</i>	<i>Buttimer, Jerry.</i>
<i>Collins, Niall.</i>	<i>Byrne, Catherine.</i>
<i>Colreavy, Michael.</i>	<i>Byrne, Eric.</i>
<i>Coppinger, Ruth.</i>	<i>Cannon, Ciarán.</i>
<i>Cowen, Barry.</i>	<i>Carey, Joe.</i>
<i>Creighton, Lucinda.</i>	<i>Coffey, Paudie.</i>
<i>Doherty, Pearse.</i>	<i>Collins, Áine.</i>
<i>Dooley, Timmy.</i>	<i>Conaghan, Michael.</i>
<i>Ferris, Martin.</i>	<i>Connaughton, Paul J.</i>
<i>Fitzmaurice, Michael.</i>	<i>Conway, Ciara.</i>
<i>Fleming, Sean.</i>	<i>Coonan, Noel.</i>
<i>Grealish, Noel.</i>	<i>Corcoran Kennedy, Marcella.</i>
<i>Halligan, John.</i>	<i>Costello, Joe.</i>
<i>Healy-Rae, Michael.</i>	<i>Coveney, Simon.</i>
<i>Higgins, Joe.</i>	<i>Creed, Michael.</i>
<i>Keaveney, Colm.</i>	<i>Daly, Jim.</i>
<i>Kitt, Michael P.</i>	<i>Deasy, John.</i>
<i>Mac Lochlainn, Pádraig.</i>	<i>Deenihan, Jimmy.</i>
<i>McConalogue, Charlie.</i>	<i>Deering, Pat.</i>
<i>McDonald, Mary Lou.</i>	<i>Doherty, Regina.</i>
<i>McGrath, Finian.</i>	<i>Donohoe, Paschal.</i>
<i>McGrath, Mattie.</i>	<i>Dowds, Robert.</i>
<i>McGrath, Michael.</i>	<i>Doyle, Andrew.</i>
<i>McLellan, Sandra.</i>	<i>Durkan, Bernard J.</i>
<i>Martin, Micheál.</i>	<i>English, Damien.</i>
<i>Mathews, Peter.</i>	<i>Farrell, Alan.</i>

<i>Murphy, Catherine.</i>	<i>Feighan, Frank.</i>
<i>Murphy, Paul.</i>	<i>Ferris, Anne.</i>
<i>Naughten, Denis.</i>	<i>Fitzpatrick, Peter.</i>
<i>Ó Caoláin, Caoimhghín.</i>	<i>Hannigan, Dominic.</i>
<i>Ó Cuív, Éamon.</i>	<i>Harrington, Noel.</i>
<i>Ó Fearghail, Seán.</i>	<i>Harris, Simon.</i>
<i>Ó Snodaigh, Aengus.</i>	<i>Heydon, Martin.</i>
<i>Pringle, Thomas.</i>	<i>Howlin, Brendan.</i>
<i>Ross, Shane.</i>	<i>Humphreys, Heather.</i>
<i>Shortall, Róisín.</i>	<i>Humphreys, Kevin.</i>
<i>Stanley, Brian.</i>	<i>Keating, Derek.</i>
<i>Tóibín, Peadar.</i>	<i>Kehoe, Paul.</i>
<i>Troy, Robert.</i>	<i>Kenny, Enda.</i>
	<i>Kenny, Seán.</i>
	<i>Kyne, Seán.</i>
	<i>Lawlor, Anthony.</i>
	<i>Lynch, Ciarán.</i>
	<i>Lyons, John.</i>
	<i>McCarthy, Michael.</i>
	<i>McEntee, Helen.</i>
	<i>McFadden, Gabrielle.</i>
	<i>McGinley, Dinny.</i>
	<i>McHugh, Joe.</i>
	<i>McLoughlin, Tony.</i>
	<i>Mitchell, Olivia.</i>
	<i>Mitchell O'Connor, Mary.</i>
	<i>Mulherin, Michelle.</i>
	<i>Murphy, Eoghan.</i>
	<i>Nash, Gerald.</i>
	<i>Neville, Dan.</i>
	<i>Nolan, Derek.</i>
	<i>Noonan, Michael.</i>
	<i>Ó Ríordáin, Aodhán.</i>
	<i>O'Donnell, Kieran.</i>
	<i>O'Donovan, Patrick.</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>Ring, Michael.</i>

	<i>Ryan, Brendan.</i>
	<i>Shatter, Alan.</i>
	<i>Sherlock, Sean.</i>
	<i>Spring, Arthur.</i>
	<i>Stagg, Emmet.</i>
	<i>Stanton, David.</i>
	<i>Tuffy, Joanna.</i>
	<i>Twomey, Liam.</i>

Tellers: Tá, Deputies Catherine Murphy and Thomas Pringle; Níl, Deputies Emmet Stagg and Paul Kehoe.

Question declared lost.

Ministerial Rota for Parliamentary Questions: Motion

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

That, notwithstanding anything in the Order of the Dáil of 25th September, 2014, setting out the rota in which Questions to members of the Government are to be asked, Questions for oral answer, following those next set down to the Minister for Health, shall be set down to Ministers in the following temporary sequence:

Minister for Arts, Heritage and the Gaeltacht

Minister for Environment, Community and Local Government

Minister for Communications, Energy and Natural Resources

Minister for Transport, Tourism and Sport

Minister for Foreign Affairs and Trade

whereupon the sequence established by the Order of 25th September, 2014, shall continue with Questions to the Tánaiste and Minister for Social Protection.

Question put and agreed to.

Sitting suspended at 1.10 p.m and resumed at 2.10 p.m.

18 November 2015

Topical Issue Debate

Company Closures

Deputy Joe Carey: I thank the Ceann Comhairle for selecting this matter. Last Thursday evening, the village of Clarecastle and County Clare were rocked by the news that Roche Ireland is to withdraw from manufacturing in its plant in Clarecastle. The site was opened by a company called Syntex in 1974 and was subsequently taken over by Roche in 1994. As a native of Clarecastle and having been raised in the shadow of the plant, I am acutely aware of the enormous contribution this manufacturing facility has made to the community of Clarecastle, to County Clare and to the mid-west region for the past four decades. The importance of the plant to the economy of Ennis, Clarecastle and County Clare cannot be overstated. It is worth in the region of €20 million in salaries alone. It is the biggest single employer in Ennis, with 240 direct employees and another 200 contractors working on site.

This shock decision was made in the headquarters of Roche in Basel and results from a review of Roche's worldwide manufacturing network. Roche intends to move away from the traditional method of manufacturing its product to a system focused on producing less volume with higher potency, which is not compatible with the way its four manufacturing plants in Clarecastle, South Carolina, Spain and Italy work, therefore, the Roche Corporation has moved to divest from its interests in these plants. It must be noted that Roche has invested heavily in its site in Clarecastle over the past four years. Some €100 million has been pumped into the plant, making it a most attractive prospect for a potential investor. As well as the state of the art infrastructure, there is a very talented and dedicated workforce at Roche who are highly skilled and committed.

Since this news broke in recent days I have engaged directly with the managing director of the plant. I have met with him and the members of the management team. I have spoken with many workers and their families. I have met with the Minister for Jobs, Enterprise and Innovation, Deputy Bruton. I have also met with the Taoiseach and on a daily basis I have spoken to the IDA.

It is critical that every effort is made to identify an investor for the plant. It is critical also that the Department of Jobs, Enterprise and Innovation dedicates every resource available to finding a solution to securing the future of this immensely important site. It is my understanding that the IDA is to meet with Roche Corporation in its headquarters in Basel this week, and I also understand that the IDA is to visit the plant in Clarecastle tomorrow. It is encouraging that a potential investor has already visited the site, and I look forward to that investor engaging further in the weeks ahead.

While there is a three year lead-in period, the next six to nine months are critically important for the future of the plant and to the workforce in Clarecastle. Our economy has moved to a different space over the past four and a half years. We now have the fastest growing economy in Europe. There is a sense of optimism in our country and a growing environment of investment. For this reason, and because of the talented, well thought of workforce, coupled with the significant investment made in the plant over the past four years, the ease of access through Shannon Airport and a top class road network, I am confident that an investor will move to acquire the site in Clarecastle.

Last Thursday evening when this story broke I immediately met with the Minister, Deputy Bruton. I welcome his interest and determination to find a solution for this plant. The Minister has a track record in delivering solutions to manufacturing plants in similar predicaments. I ask him to outline to the House his plans to encourage an investor to the site in Clarecastle. I ask him also to outline his work to date and his future plans, and those of the Government agencies, to bring about a solution for the plant in Clarecastle.

Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton): I thank Deputy Joe Carey for raising this issue. His portrayal of the situation is accurate and balanced. Our first thoughts are with the workers in Roche in terms of the uncertainty they face. However, we have a good track record in working on difficult issues like this one and I am confident for the future.

Last week's announcement of the company's intention to exit the plant was very disappointing. This factory has been in operation since 1974, providing substantial employment since then, with the workforce now standing at 240 employees. The company is proposing to seek a buyer for the site.

The announcement by Roche that it is planning to exit the site and market it to alternative investors arises from a global review undertaken by the company, which has resulted in its focus for the future being on a pipeline of new products that are smaller scale rather than the large, blockbusting products that have been the pattern. That has given rise to substantial restructuring within the group, which as the Deputy indicated has resulted in the proposed exit from a number of Roche facilities in the USA, Spain and Italy.

The State agencies have a strong record in finding alternative employment in facilities earmarked for closure, in particular where there is a long lead-in time which allows the site to be marketed effectively. It is of note in this case that the company has not planned any redundancies and plans to continue operation for a considerable period. I have directed the agencies that no effort be spared in the search for an alternative investor for this facility.

I have also spoken to senior executives at the company on these issues. IDA Ireland has been engaging with the company for some time and will continue to engage with the company as it seeks to find a buyer for the plant. It is encouraging that in a number of similar situations where closures have been announced, the State enterprises have been able to find alternative investors, including the GSK-Stiefel case in Sligo, Pfizer-Amgen in Dún Laoghaire and J & J-Amneal in Tipperary. It is important also to remember the situation in Waterford where we had both the closure of TalkTalk, which resulted in the emergence of Eishtec, and the restructuring that was successfully negotiated in Bausch and Lomb.

I have directed the IDA to actively pursue a new buyer for the plant and it will work actively with the company, which is also committed to seeking a buyer. The IDA will draw up a detailed prospectus with the company. It will highlight the attractions of this facility for both its existing client companies and potential new investors who may be interested in such a facility. It will use its wide international network to highlight this opportunity. The gradual wind-down period will give a welcome window in which to pursue this objective.

Despite some challenges in the pharma sector in recent years in Ireland, it is worth pointing out that the sector has adapted very well to a fast-changing landscape. Between 2011 and 2014, employment numbers in the pharmaceutical and chemical sector have actually increased by 7%. In addition, the profile of the Irish industry has changed significantly with huge levels

of investment having taken place by companies, and we now have a very impressive footprint in the growing biopharmaceutical sector in particular.

Since the launch of the National Action Plan for Jobs, we are seeing encouraging recovery in the mid-west region. There are 7,000 additional people at work in the region, which contrasts with the previous period of 20,000 job losses. We have also seen the start of a strong recovery in Clare. In 2014, an additional 700 people were at work in enterprises supported by the agencies of my Department: the IDA, Enterprise Ireland and the local enterprise office. The live register in Clare also fell by 10% in the past 12 months. However, we recognise that there are opportunities to build on that and that is the reason we have developed the mid-west regional action plan, which includes counties Clare and Limerick. That was launched last month and has a comprehensive set of proposals both to increase the attraction of foreign direct investment but also to build on the strong employment base within the region already.

As the Deputy said, we have had a very strong flow of foreign investment and this plant represents an opportunity to attract new investors. I can assure the Deputy that no effort will be spared in my Department or through the agencies of my Department in pursuing new opportunities for the workforce and supporting the company in its plan to sell the plant as a going concern.

Deputy Joe Carey: I thank the Minister for his reply. The next six to nine months are critically important for the future of the plant and its workforce. It is encouraging to hear the Minister say that no effort will be spared to find a solution but I want to hear that every resource will be used in his office and by the agencies under the Minister's control. This is too big an issue and we have to get a solution. People's livelihoods are on the line. The economy of County Clare and Ennis are on the line. It is so important that we find a solution. It is encouraging to hear the Minister's words today. I look forward to working closely with him and Government agencies, as well as the workforce, management and unions at Roche to find a solution. The next six to nine months will be critical, but I am confident we can find a solution with the Minister's help. It is encouraging to hear his words today.

Deputy Richard Bruton: I thank the Deputy. The period of the crash has sharpened the agencies. IDA Ireland is to be complimented on its enhanced regional focus and the stronger connections it has built between its regional presence and its offices on the front line in various countries. It has also built a particularly strong network around the pharmaceutical and life sciences sector, where it has unrivalled international access to companies that are significant players and would have the capacity to look at this opportunity. IDA Ireland has put itself in a good position. I assure the Deputy that no effort will be spared and the resources of the Department and agencies will be used.

The Deputy is right in saying that the next six to nine months will be a very important period because volumes will be high in the Roche plant, which gives an incoming investor a bedrock of supply to which it could subsequently add. We are conscious of the time sensitivity of the work that needs to be done on the project. I assure the Deputy of continuing contact with him and other Deputies in the region to ensure we respond in every way possible.

Mental Health Services Staff

Deputy John Browne: I thank the Ceann Comhairle for selecting the Topical Issue on Maryville health centre, a five-day hospital service for 60 to 70 patients in New Ross and surrounding areas.

Recently a psychiatric nurse was transferred from Maryville to another centre without a replacement, causing much concern to the patients attending the centre. A Vision for Change which was implemented in Wexford, as it was across the country, outlined the provision of a better service for people with mental health issues, including depression. A nurse who had been in Maryville for a number of years and was a key contact for the 60 to 70 patients attending the centre is no longer there. She was their first and, in many cases, only contact owing to the lack of adequate services in the New Ross area. The patients are devastated by the decision, as they had built up trust in the nurse during the years. They had formed a bond and a relationship with her.

People with mental health difficulties, including depression, find it very difficult to relate to people and trust them. Now someone they trusted has been taken away from them and they are very concerned. A number of patients told me this nurse was a friend more than a nurse. She went above and beyond the call of duty to help patients at Maryville and to be there for them. The patients are devastated and many of them told me the centre was no longer relevant to them owing to the removal of the nurse. They want her to be returned to the New Ross area and Maryville as a matter of urgency.

I received a reply from the HSE recently which contained the usual gobbledygook about the importance of A Vision for Change. It referred to the services provided at Maryville, contrary to what the patients who attend there had said. It outlined details about staffing levels. A nurse is on maternity leave and a number of staff members have retired. In Wexford mental health services a number of other nurses are on maternity leave. The decision to move the nurse from New Ross to another centre in the county was robbing Peter to pay Paul and has left a bad taste for the patients in New Ross. Naturally they would prefer to see the return of the nurse who was there and had built up a bond of friendship. She had helped them to find jobs and be part of the community. She should be returned to New Ross as a matter of urgency. A Vision for Change never envisaged a person essential to one centre being transferred to another, leaving the centre from which he or she has come lacking the people needed to provide a service.

It is important that the nurse who left Maryville return. Some of the patients attending Maryville have sent me letters indicating that it is no longer of relevance to them because of the removal of the nurse. They are trying to develop their own group, New Me ~ New Ross, totally on a voluntary basis, without any financial support. They also claim that professionals come to Maryville and hold endless meetings, with nothing coming from them. They now want the services restored to them as a matter of urgency.

Minister of State at the Department of the Environment, Community and Local Government (Deputy Paudie Coffey): I thank the Deputy for raising this important matter. I am replying on behalf of the Minister for Health who is unavoidably absent and sends his apologies.

In line with national policy, Waterford and Wexford mental health services implemented the recommendations of A Vision for Change on the organisation and provision of mental health

services, transforming them from a largely bed-based in-patient service towards a more community-based service. In Wexford mental health services are arranged by geographic location. There are general adult mental health teams based in Summerhill in Wexford, Carn House in Enniscorthy and Tara House in Gorey, all of which operate a seven-day service from 9 a.m. to 5 p.m., while Maryville in New Ross operates a five-day service, also from 9 a.m. to 5 p.m. If someone is feeling suicidal in County Wexford and wishes to have a consultation, he or she can be referred through his or her GP to any of these four day hospitals and be seen by a consultant psychiatrist. All general practitioners in County Wexford are aware of these day hospitals and familiar with the process for making direct referrals to these units.

A multidisciplinary mental health team based at Maryville includes a consultant psychiatrist for adults, a non-consultant hospital doctor, nursing staff, an occupational therapist, a psychologist, a social worker, a secretary, a community mental health nurse and a part-time addiction counsellor. In line with the proposed skill mix in A Vision for Change, the multidisciplinary team based at Maryville has expanded with the appointment of the aforementioned social worker and occupational therapist posts.

With regard to nurse staffing levels in Maryville, a nurse currently on maternity leave will be reassigned to the service on her return. In addition, a number of nursing staff have retired from Wexford mental health services in recent years. Aside from the nurse in Maryville, a number of other nurses are on maternity leave in Wexford mental health services generally. It is challenging to recruit candidates to fill temporary short-term positions such as maternity leave cover.

Management from the HSE's Waterford and Wexford mental health services continues to monitor staffing levels on a regular basis and explore all possible options within resources available to try to improve service provision. Given the number of nursing retirements and staff on maternity leave, at times the service needs to reallocate staff between mental health services and units to optimise services so as to meet patients' needs, as appropriate.

The overall recruitment of nursing staff is proving very challenging in Ireland generally, let alone in County Wexford. For example, all 11 recent nursing graduates from Waterford and Wexford mental health services have been offered full-time employment within the local mental health services. In addition, posts are advertised nationally and overseas. Other recruitment measures include bespoke recruitment campaigns. Local HSE management and mental health service personnel are working closely with the national mental health division on nurse staffing issues. In addition, a national mental health workforce planning review group has been established to better plan and deliver staffing and service needs overall, including in the mental health area. I trust that clarifies the issues for the Deputy.

Deputy John Browne: I thank the Minister of State, Deputy Coffey, for his reply, which I am sure has come from the Department of Health. I am aware of Summerhill, Carn House and Tara House in Gorey. They provide an excellent service throughout the county, as do the outreach nurses with whom we deal on a regular basis. The point made by the patients and others who seek a restoration of the service in New Ross is that patients had built up a bond, trust and friendship with the nurse in question who understood them and their needs and how difficult it was for them at times to attend the services or to leave their home and be part and parcel of the community. In the reply, the Minister of State outlined that there is a nurse on maternity leave and that she will return eventually. It is the right of any person on maternity leave to be out of the workforce for a year or a year and a half. Is the HSE saying Maryville will have to survive

and continue without a nurse for a period of time? Could the Minister of State, Deputy Coffey, request the Minister for Health to re-examine the situation and return the nurse who was located in Maryville and find a replacement nurse for the other service to which she has been deployed? That would be very important.

I deal regularly with Ciarán Cullen and Martin Fitzhenry and others who are outreach nurses for mental health services. They say it is very important for there to be continuity in the care provided, given the bond and trusting relationship that is built up over the years. It is important that such a level of care would continue to be provided, not in the interests of the nurses but of the patients. I urge the Minister of State to request that the Minister for Health, through the HSE, restores the services that were available in the New Ross area as quickly as possible. Wexford, Gorey and Enniscorthy have a seven day service while Maryville in New Ross only provides a five day service and it is important that the service would be adequate to serve the needs of the people. It is also important that the particular nurse who has the ear of the people suffering from mental health and depression disorders in New Ross would be returned as quickly as possible.

Deputy Paudie Coffey: It is acknowledged in the initial reply that HSE management has a responsibility to ensure adequate provisions in terms of staffing at each of the four units based in County Wexford, namely, the one in Wexford town, and the centres in Gorey, Enniscorthy and New Ross, which is the subject of the current debate. The recruitment of nurses in this country is proving challenging in general. I note that all of the 11 nursing graduates this year have been offered full-time employment in the mental health services in the Waterford and Wexford areas, which is to be welcomed. In addition, advertisements continue to be placed both nationally and internationally to attract some of the nurses who qualified and possibly worked in this country back here so that we can enhance services in this country. I recognise that the matter raised is of genuine concern and I will undertake to relay the concerns outlined to the Minister.

Health Care Policy

Deputy Mattie McGrath: I thank the Ceann Comhairle for allowing me to raise this very important issue. It was intended to be raised yesterday, which was World Prematurity Day, but due to the change in business and the statements in the House I am raising it today.

In recognition of yesterday being World Prematurity Day, I wish to raise the need for the Government to make prematurity and neonatal health a health care and welfare policy priority. Approximately 4,500 babies are born prematurely every year in Ireland and yet despite that, there is no national neonatal health policy or programme in place. The number of premature births is rising but, sadly, the issue is not on our radar. It was not on my radar until my first granddaughter was born ten weeks premature almost two years ago. Amy-Berry, who spent 81 days in hospital before being brought home, is thankfully thriving today and that is due to the excellent care she received in both Cork University Maternity Hospital and in the maternity services unit in South Tipperary General Hospital. The health care professionals were excellent and the care she received both in hospital and in the follow-up process was second to none. It is important to state that fact.

I compliment and thank the staff in both hospitals as well as the early intervention team in south Tipperary all of whom have been fantastic. That said, there are significant issues surrounding preterm birth in this country which need to be addressed. It is not acceptable that the care any vulnerable preterm baby should receive would be dependent on his or her geographic

location. Our neonatal health policy is fragmented and unco-ordinated and the absence of a targeted national policy is preventing access to high quality health care and social support for preterm infants and their families.

Two years ago, the national neonatal transport programme was thankfully extended to a 24 hour service. This year the focus is on the need to put in place and fund a retro transfer service. We have experience of this system working very well whereby my granddaughter, Amy, who was born in Cork, was transferred back to South Tipperary General Hospital after seven weeks when she became well enough to continue care there, thereby freeing up an intensive care unit bed in Cork. Beds in intensive care units are vital. The transfer of patients frees up pressure on the hospital system and can reduce the pressure on families as their child can be moved to a regional hospital closer to home for continuing care. That is important for families and extended families. This system works well but in order to ensure that every baby in the country has access to equal care, we need a fully operational retro service to compliment the neonatal transport programme. It is important to free up pressure in regional hospitals and it brings babies closer to home in local hospitals.

The second major issue is the lack of consistent follow-up care for preterm infants across the country. Geography plays a vital role in determining what aftercare services one can avail of. That is not right or fair by any yardstick. Some units carry out developmental check-ups but, sadly, many do not because they do not have the expertise and resources to do so. That discriminates against certain regions and affects families and their children in those areas. If we invested in adequate follow-up care for neonates, we would pick up on far more developmental problems and initiate early intervention at the earliest possible opportunity. It is vital that we would pick up on a range of issues that might affect infants and provide timely intervention. As I am out of time, I will wait for the Minister of State to reply before I add anything further.

Deputy Paudie Coffey: I apologise to the Deputy for the unavoidable absence of the Minister for Health today. I wish to respond to this Topical Issue debate on his behalf. Premature birth is the largest cause of neonatal death worldwide. In Ireland, 6% of babies are born prematurely, a rate that is increasing for a variety of reasons, including assisted reproduction, higher rates of multiple births and increasing maternal age. It is a sad fact that many families have been touched directly or indirectly by the consequences of premature birth.

Thankfully, however, there has been a dramatic fall in mortality and morbidity rates for newborn infants and 90% of infants born prematurely at 28 weeks now survive, whereas in the early 1980s, 90% of those babies unfortunately died. Clearly, neonatology is one of medicine's greatest success stories over the past 30 years. This success is not only because of scientific advances and the availability and application of new technology but also is due to the centralisation of complex cases in tertiary hospitals and the training of a highly skilled and specialised workforce.

The national clinical programme for paediatrics and neonatology was established in 2011 as a joint clinical initiative between the Health Service Executive, HSE, and the faculty of paediatrics in the Royal College of Physicians of Ireland, RCPI. The programme aims to provide high-quality care to more than 67,000 babies born in Ireland annually through effective screening, the provision of equal, rapid access to neonatal intensive care where and when required and the eradication of fragmentation and duplication of newborn specialist and intensive care services. High-quality care is vital for fragile infants and, together with good policies and well-planned programmes, the outcome for preterm infants is very positive.

It is recognised that the key to good neonatal services is to concentrate the care of preterm infants in a small number of centres where highly trained staff become experienced in managing the complex problems these high-risk infants develop. In this regard, there are 19 neonatal units and 300 special care baby unit cots across the State to care for preterm and sick newborn infants. The neonatal units provide differing levels of care depending on their size and medical and nursing numbers. Four tertiary units provide the most complex level of care and four secondary units provide an intermediate level of care, while the 11 remaining primary units provide routine newborn care and immediate resuscitation facilities. The process that integrates these neonatal units is the national neonatal transport service. This facilitates the rapid transfer of babies who need a higher level of clinical support. A specially equipped ambulance staffed by trained neonatal doctors and nurses travels from Dublin to the smaller hospitals to help with the transfer of the baby to the tertiary centre. These babies can be transported at short notice, day or night, seven days a week.

The Minister for Health also is delighted to mention today that last Monday, the HSE, working in close partnership with the RCPI, launched a new model of care for neonatal services in Ireland. This was developed following wide consultation with professional groups and parents. Importantly, the recommendations have been benchmarked against international standards. The model of care is intended to ensure sustainability in the neonatal services and has three core objectives, namely, improving safety and quality in the delivery of baby-centred care, improving access to the appropriate services and improving cost-effectiveness of services delivered. In conclusion, I assure the Deputy and Members that there is little need to discuss making prematurity and neonatal health a national health care and welfare policy priority, because it already is a priority.

Deputy Mattie McGrath: I do not accept the last statement made by the Minister of State. While I acknowledge he is doing his best here today, I am disappointed by the absence of the Minister of State in the Department of Health, as I met her in the House only half an hour ago. This issue is not a national priority and must be dealt with sensitively. Were the health service to invest in adequate follow-up care for neonates, it would pick up far more issues, would be able to mount early intervention and could address many other issues. The availability of proper early intervention services is not simply a preterm issue, however, and the system is failing many children with special needs due to a lack of access to appropriate services. This is clear and the Minister of State cannot claim Ireland has state-of-art services. The Government has been claiming for the past four and a half years that a free medical service would be implemented but it has capitulated on that for the present. There is no point in putting one's head in the sand.

The lack of social and financial support also is a major issue because the cost to families with preterm infants places undue stress and economic hardship on those families. As I stated, the financial costs in respect of pre-terms is considerable and the State must understand this and must provide the services. The Minister of State mentioned the transfer ambulance but in cases in which South Tipperary General Hospital must transfer an infant to Cork, that is, in the opposite direction to the journey made by my granddaughter Amy, who came back from Cork, a specially-trained nurse must travel in the ambulance with the infant, thereby leaving behind a shortage of such scarce and vital nurses who do such good work. Consequently, there is much tweaking and much work that can be done. The front-line staff in most parts are excellent and do tremendous work but through no fault of theirs, the lack of a national neonatal health policy means some premature infants or their families simply will not get the care they need because

of where they live and this is most regrettable. This is why I disagree with the Minister of State's concluding remarks.

I also compliment the Irish Neonatal Health Alliance and the Irish Premature Babies group, both of which offer wonderful supports to the families of premature children. However, they cannot do it alone. This is a growing issue and the Government must address it to ensure that all premature children born in Ireland can reach their full potential. My family is delighted with our situation now and are thankful to the HSE and its staff but the issue must be examined and considered. Each year, 4,500 babies are born in that situation, which is a high number. I recognise the Minister of State's observation that the position and the numbers have improved but much more tweaking and a lot more assistance and support is needed on this highly sensitive issue.

Deputy Paudie Coffey: I acknowledge to the Deputy this is indeed a sensitive issue and this is why the Government treats it with the highest priority. I will take this opportunity to congratulate the Deputy on the arrival of his granddaughter, Amy, and I am happy there was a positive outcome. The Deputy is right to put on record the assistance and support of the health services that assisted his granddaughter to come into the world in a preterm situation that now has proven to be successful. I congratulate the Deputy and his family in this regard.

I reiterate that neonatal services and preterm care are a national priority for the Government and this is reflected in the positive mortality reports that have been published. I have already referred to some statistics and the facts are that in the 1980s, 90% of infants who were born at 28 weeks unfortunately did not survive whereas at present, with the current level of services, technology and sciences, as well as the support and care available to preterm births and babies, 90% of those infants born at 28 weeks survive, which is a wonderful achievement. However, this is a highly sensitive matter and I am conscious of the 10% and more of infants who unfortunately do not survive and it is extremely tough for any family or mother and father to find themselves in that situation.

I will pass on the Deputy's comments to the Minister and reassure him that this service and this matter are being treated as a priority.

General Practitioner Services Provision

Deputy Michael McNamara: This issue concerns Shannondoc, which is a general practitioner, GP, co-operative based in County Clare that provides out-of-hours services to cover what GPs normally do during office hours in the evening and at weekends. It is an important service but there have been repeated rumours throughout County Clare of various reductions in Shannondoc services in west Clare, Shannon and elsewhere. Thankfully, this has not come to pass and it is important to state there has been no reduction in the Shannondoc services thus far but nevertheless, it also is important to acknowledge there is a great deal of pressure on the services Shannondoc provides because of GP shortages. When the present Government was elected, there were 20 GPs operating out of north and west County Clare but that number has now fallen to 15 and therefore, the number of GPs Shannondoc can pool and put on a roster in the evening is reduced. While this might not appear to be so important, the ambulance service is already at breaking point or at least is at the very edge of what it can achieve, and likewise the accident and emergency facilities in Limerick. While I thank the Minister of State, Deputy Coffey, for coming into the Chamber, I appreciate he is not a Minister in the Department of

Health and consequently may not be aware of the overcrowding situation in the accident and emergency unit, but it is at an unacceptable level. If people are unable to get a doctor to call out to them at night time, they have no alternative but to call an ambulance or make their way to an accident and emergency department and join the lengthy queues there. It is a serious issue which arises not as a result of a lack of HSE funding of the service but owing to a lack of doctors practising as GPs in the area. Many of the GPs currently working in the area are elderly and are, understandably, less inclined to work long hours. Very few of the GPs coming on stream these days are going into rural practices across County Clare.

Doctors and graduates of medicine in Ireland generally earn a lot of money. They earn what would appear to me to be a great deal of money and it would certainly be a huge amount in comparison with the earnings of most of the people I represent but it is still a lot less than they can earn in Canada and in other countries across the world. For young doctors who are not tied to any particular place and do not have a family of their own, the option of going to work in the health service in another country is very attractive and that service is probably better funded. There is little this Government can do to stop that happening. It would be wrong to try to stop anybody emigrating. We had a referendum a long time ago, the aim of which was to stop certain people leaving the country, which would be a preposterous proposal to most.

Older doctors also earn a lot of money. Many older GPs were encouraged by the HSE to set up GP practices in which they invested very heavily in terms of equipment and so on and in respect of which they received funding from the HSE. However, that funding has been reduced. Every backbencher has a constituency office. I assume Deputy Coffey, although a Minister of State, still maintains a constituency office. Constituency offices are funded by the Exchequer such that Members are not required to pay for them. While GPs were encouraged by the HSE to invest in their facilities and in that regard took out mortgages and so on, they now find that the funding they receive is a lot less than they anticipated when they took out loans and so on. There is a real problem in relation to general practitioners in this country. If there are not sufficient GPs, people go elsewhere with their health problems. They clog up accident and emergency departments and inevitably rely on the ambulance service, which is already overstretched.

Deputy Paudie Coffey: I apologise to Deputy McNamara on behalf of the Minister for Health, Deputy Varadkar, who is unavoidably absent today. However, I am happy to take this important matter on the Minister's behalf.

Shannondoc is a GP co-operative funded by the HSE. It provides a valuable urgent out-of-hours service to the population in the mid-west region. Operating out of 11 treatment centres, spread across the region and a fleet of mobile doctors, Shannondoc had 110,000 patient contacts last year, with 90,000 receiving treatment. At the heart of the operation is the call centre. Based in St. Camillus' Hospital, the centre processes all patient calls, with nurses assessing and managing concerns or directing patients, where necessary, to a treatment centre or assigning a home GP visit. It is acknowledged that Shannondoc is facing a resource challenge in relation to the availability of doctors, especially in west and north Clare, as indicated at the start of the summer period.

A review of the out-of-hours service has commenced to ensure that a safe and appropriate GP out-of-hours service continues to be available to all people living in the mid-west region, which can be accessed as and when needed. In the meantime, the HSE has advised that Shannondoc is providing the same service and is continuing its consultation with GPs in County

Clare to meet the current service needs. The HSE remains focused on ensuring out-of-hours service will continue to be delivered for all throughout the country.

In relation to the Shannon treatment centre, Shannondoc has confirmed that this will not be closing. In addition, there has been no diminution in the level of service being provided at the Shannon centre. When required, patients will be seen at the centre. Last week, 112 patients attended the Shannon centre for treatment. Patients who require treatment at the centre are assigned appointments during the time when the doctor is on-site. There are occasions when the Shannon centre augments the busy Ennis centre. Normally at weekends, the Shannon treatment centre experiences a low level of patient appointments between the hours of 9 p.m. and midnight - averaging two per night, compared with the higher throughput at the Ennis centre. When there are no further scheduled appointments at Shannon, one of its GPs relocates to Ennis during those hours. However, should an appointment be required at the Shannon centre, and if the patient is unable to travel to Ennis, a GP will travel back to Shannon to ensure the patient receives an appropriate service. This system has been in place since 22 September 2015 and has run seamlessly. House calls continue to be provided in the Shannon area as normal. This level of co-operation between treatment centres allows Shannondoc to provide a more effective service to the patients in the mid-west region while making the most effective use of its resources.

The HSE has stated that Shannondoc wishes to reassure the Clare community and the people in the mid-west that they will continue to be able to access and receive a GP out-of-hours service in the area.

Deputy Michael McNamara: I thank the Minister of State for his response and I welcome the fact there is no diminution in services. I also welcome his acknowledgement that the problem is one of resources and is related not to funding provided by the HSE but the availability of general practitioners. This problem is exacerbated by the lack of locums, for which there are two reasons. Many locums come from outside of Ireland. Many are what might be termed third country nationals and do not come from within the European Union. The visa regime with regard to locums has changed such that they are now required to leave Ireland for a portion of every year.

I previously worked in the area of immigration law. I have always thought there was a particular discernible attitude within the Department of Justice and Equality towards third country nationals, non-EU citizens in particular. It is almost as if we are saying that these people are good enough to come here and save our lives but we would not want them to get too comfortable lest they might decide to stay. That is appalling. If locums come here and provide essential services, the least we can do is ensure we have in place a visa regime which enables them to remain here if they so wish. A similar problem arose in the context of the shortage of junior and senior house doctors at the time when this Government came to power. While those brought into the country at that time were deemed good enough to be junior and senior house doctors, they were unable to access training programmes. Many of those involved were from India, Pakistan and other countries. They were well qualified and good doctors but they were unable to access training programmes, which was akin to saying that they were good enough to provide some services but we would not want them to get too comfortable, lest they might decide to stay, which is an appalling attitude but not one that surprises me because that is how our immigration system works. It is a problem that not only creates a further problem for these excellent doctors and their families but for ordinary people across this country in terms of not being able to access as good a medical service as they might otherwise get if this visa regime did not exist. This issue needs to be addressed.

Another problem is the high wages paid to locums in the UK. I understand there are Irish doctors going to the UK to work as locums because they know locums there are paid more. As I said at the outset, doctors earn a great deal more money than many of the people I represent. Many of our doctors are going to other countries where the wages are higher because they are under financial pressure here.

Deputy Paudie Coffey: It is important to put on the record that GP services and primary care in general in this country receive substantial State support, although an argument can always be made for more. I accept the Deputy's genuine concerns in that regard. This is a priority area for Government, one in which we will continue to invest.

As stated, the HSE and Shannondoc have asked that the Deputy be assured that the people in Clare and the mid-west region will continue to be able to access and receive a GP out-of-hours service, which I am sure the Deputy will welcome. In terms of the topical issues raised today, recruitment and attraction of professionals into our health service remains an ongoing challenge. The Government and HSE is committed to ensuring that we have a successful recruitment programme. The Minister and Department of Health will continue to monitor and evaluate that programme and respond accordingly.

3 o'clock

Social Welfare and Pensions Bill 2015: Report Stage (Resumed) and Final Stage

Debate resumed on amendment No. 9:

In page 15, between lines 24 and 25, to insert the following:

“21. The Minister shall, within 4 months of the passing of this Act, prepare and lay a report before the Houses of the Oireachtas, reviewing all expenditure reductions or the ceasing of payments in relation to the household benefits package, including the gas allowance, electricity allowance, telephone allowance since 2011, and setting out the options for restoring those payments to their previous levels.”.

(Deputy Willie O'Dea)

Deputy Willie O'Dea: My amendments Nos. 9 to 11, inclusive, require the Government to undertake a review of different cuts in different areas of social welfare provision within four months of the passage of the Bill. The Minister of State, Deputy Kevin Humphreys, noted this morning that all the information is already available which, of course, I already know. What I am suggesting is that the information be collated and reports be produced outlining the impact of the cuts under the different categories. If the Government is in a position before the next budget to begin the process of reversing some of the cuts that have been made, it would have all the information before it to decide, for example, whether a smaller item of expenditure might be restored in its entirety and a larger item left untouched or, instead, whether half the smaller item might be restored and a start made on reinstating the larger item. The reporting mechanism I am suggesting would be a useful guide for any government deciding on social expenditure in the context of a budget.

It would also be a catalyst for the Government to act in a context where the Tánaiste has stated on several occasions that she would like to reverse the cuts as resources allow. If the economy continues to grow and if the Tánaiste is still in office for next year's budget, it would be a useful guide to her. I expect, however, that she will reject my amendments because of the inconvenience of recommitting the Bill and so on. It is a sad reflection on the way we do our business in this House. If the Tánaiste does not want to put these provisions into the legislation and thereby place an obligation not only on this Government but also its successor, if the reports have not been done within the lifetime of this Administration, will she at least consider taking my suggestion on board? I will not press the amendment if she gives an indication she is prepared to do so.

Tánaiste and Minister for Social Protection (Deputy Joan Burton): We have overseen very significant expenditure on improving social welfare incomes this year. We focused in this regard on measures such as restoring the Christmas bonus and improving the fuel allowance scheme. Deputy O'Dea is proposing that we produce reports on the impact of changes in such schemes as the household benefits package. Has he forgotten those changes were introduced by Fianna Fáil in 2009 and 2010? I do not know whether the Deputy's party has had the opportunity to revisit what it did. Likewise, the withdrawal of benefits under the treatment benefits package was initiated by Fianna Fáil in government in 2009 and implemented in budget 2010. In the case of the bereavement grant, as I said at the time we introduced the change, we are focusing on dependants, with surviving spouses or civil partners being entitled to a payment of €6,000. In addition, we continue to give the payment for six weeks after the death of the individual. I thank the Deputy for his support for the changes we have made in respect of the carer's allowance, which have extended the payment period from six to 12 weeks after the death of the person to whom the care was provided.

The most important measures in this budget for many of the individuals who are affected by the changes under the schemes to which the Deputy's amendments refer are the €2.50 per week increase in the fuel allowance payment from 1 January and, more importantly, the payment of a Christmas bonus at the rate of 75%, which is the level it was at during the 1980s, 1990s and through part of the 2000s. Single pensioners will shortly receive a payment of some €170, while pensioner couples will receive €320. As I have explained to Deputy O'Dea, in my engagement with organisations representing people on social welfare, there was a repeated expression of their strong desire to see the reinstatement of the Christmas bonus. For many people, the enhanced bonus will exceed any benefits they might have received under the schemes to which the Deputy referred.

Most of the information in regard to all of those schemes may be obtained by Deputies by way of routine parliamentary questions. I will be happy to supply the Deputy with any such details by that method. In addition, information may be sought by way of Topical Issue matters and other means where relevant. It is important to note that I do not recall any reference to any of these schemes in Fianna Fáil's pre-budget statement. The party proposed a change in regard to one of them but nothing about the others.

Deputy Willie O'Dea: That is not true.

Deputy Joan Burton: No such proposals are contained in the documentation available from the Fianna Fáil website. There was no proposal in regard to the Christmas bonus, free travel and a whole range of other provisions.

Deputy Willie O’Dea: Not true. I will give the Tánaiste a copy of our proposals.

Deputy Joan Burton: I am looking at the documentation published by the Deputy’s party. Perhaps he did not have a good conversation with his colleague, Deputy Michael McGrath. Perhaps Deputy O’Dea desired a lot of things in his heart but they did not make it into his party’s pre-budget submission. There was no proposal to reinstate the Christmas bonus. There is not a word about it in the Fianna Fáil document.

Deputy Willie O’Dea: What about free travel?

Deputy Joan Burton: We have put an additional €3 million into the provision of free travel. We have guaranteed that scheme for people, while the Deputy’s party did not propose any additional allocation.

Deputy Willie O’Dea: We did.

Deputy Joan Burton: There is nothing about it in his party’s pre-budget proposals.

Deputy Willie O’Dea: The Tánaiste is misleading the House. We proposed a €7 million improvement in the provision for free travel, and I can supply her with the appropriate documentation to that effect. It is not just about reviewing treatment benefits and so on. A number of schemes are referred to specifically in these amendments, but there are other cuts to consider. Working lone parents, for instance, have been clattered by the Tánaiste. That is deserving of a review. She has taken €44 million out of the pockets of the most destitute in this country by abolishing the school clothing and footwear allowance, even though applicants had to pass a poverty test to qualify for that payment. The Tánaiste did not advert to the telephone rental allowance in her reply. Many of the cuts to household benefits came under the aegis of this Government, despite all the promises the Tánaiste’s party made before the last election. I certainly can produce that documentation. The Labour Party was going to look after the poor and weak and counterbalance Fine Gael. The reality, of course, is that the Tánaiste has taken almost €2 billion out of social welfare since she assumed office, while all the time lecturing the rest of us about how social transfers help to alleviate poverty. Does she not accept the corollary is also true, namely, that reducing social welfare transfers increases poverty?

The Tánaiste is saying she is not prepared to commission a report or study to review the effect of the various cuts, as set out in my amendments Nos. 9 to 11, inclusive. She is rejecting those proposals even though she has stated on numerous occasions her intention to reverse the cuts as resources allow. The Minister of State, Deputy Kevin Humphreys, drew the wrong conclusion from something I said earlier when he seemed to have the impression that I was enthusiastic about this Government being re-elected. I emphasise, in case anybody misunderstands, that I was speaking tongue in cheek. The Minister of State even urged me to give my first preference to the Labour Party in the next election. The standard bearer for his party in my constituency is the Minister for Education and Skills, Deputy Jan O’Sullivan. Although I am not arrogant enough to say with certainty that I will not need my own first preference vote, I am reasonably confident, from the feedback I am getting on the doorsteps, that the Minister, Deputy O’Sullivan, will need it a hell of a lot more.

Deputy Joan Burton: In Fianna Fáil’s pre-budget proposals it proposed to spend €154 million on pensioners. We have spent vastly more than that figure, with an increase in the rate of €3 a week. We restored the Christmas bonus and improved-----

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Deputy Willie O’Dea: The Government had already taken €2 billion out of the social welfare budget.

Deputy Joan Burton: Hold on - you can dish it out, dear, but just hold on until you hear what you signed off on yourself.

Deputy Willie O’Dea: You are giving back just a little of what you had taken away.

Deputy Joan Burton: Listen; calm yourself.

An Leas-Cheann Comhairle: Through the Chair, please.

Deputy Joan Burton: Fianna Fáil further proposed to improve child benefit by the same amount by which we had improved it, namely, €5 per month.

Deputy Willie O’Dea: That had already been taken away.

Deputy Joan Burton: Fianna Fáil talked about increasing the respite care grant, which we did.

Deputy Willie O’Dea: What about all the Labour Party election posters stating there would be no cuts in child benefit, if it were elected?

Deputy Joan Burton: Finally, there was its proposal on one-parent supports. It was miserable, even for Fianna Fáil. From where did it get the sum of €33 million? We trebled it. Do you understand, dear Deputy O’Dea, that our social welfare package in the budget amounted to about €500 million? Do you understand that?

Deputy Willie O’Dea: I understand it perfectly.

An Leas-Cheann Comhairle: Through the Chair, please.

Deputy Joan Burton: Deputy Willie O’Dea can have lots of views and condemn everything. However, he has to remember that it was Fianna Fáil that cut the weekly social welfare payment, blind pension and carer’s allowance by €16.40. Admittedly, it was during hard times, but have I heard one word of an apology from the Deputy? Is there one word about restoration?

Fianna Fáil had a miserable social welfare package. I compliment it on keeping within the obligations of the budgetary financial structures. It is being a responsible party in that respect. However, it cannot lay responsibility on everybody else for its less than fantastic package. Its finance spokesperson accepted the financial structures to get the country back on the road and meet our obligations under the financial arrangements with the European Union. Deputy Willie O’Dea, however, does not refer to this, but, instead, criticises the Labour Party for it. The worst cuts made by the former Fianna Fáil Government were to the blind pension and carer’s allowance by €16.40 a week. When will we ever hear the Deputy promising to restore any of this sum?

Deputy Willie O’Dea: The Tánaiste is the deputy leader of a Government that removed free telephone rental allowance, took away the respite care grant-----

Deputy Joan Burton: And restored it.

Deputy Willie O’Dea: Yes, restored it but after people had suffered for three years. The

Government presided over the increase in carbon tax and the increase in VAT, from 21% to 23%, which disproportionately affected the poorest people. It took away the back-to-school clothing and footwear allowance. You are an absolute disgrace. It is little wonder people have shown in poll after poll what they think of you, your Government and your performance.

An Leas-Cheann Comhairle: Through the Chair, please.

Deputy Willie O’Dea: The Tánaiste and Minister for Social Protection is acting like a frightened child. Forcing the Taoiseach to hang on over Christmas will not do her one blind bit of good.

Deputy Joan Burton: Maybe you never read your pre-budget submission.

Deputy Willie O’Dea: You are an absolute disgrace and the people know it.

Amendment put and declared lost.

Deputy Willie O’Dea: I move amendment No. 10:

In page 15, between lines 24 and 25, to insert the following:

“21. The Minister shall, within 4 months of the passing of this Act, prepare and lay out a report before the Houses of the Oireachtas, reviewing all expenditure reductions or ceasing of payments in relation to the treatment benefits package since 2011, and setting out options for restoring those payments to their previous levels.”.

Amendment put and declared lost.

Deputy Willie O’Dea: I move amendment No. 11:

In page 15, between lines 24 and 25, to insert the following:

“21. The Minister shall, within 4 months of the passing of this Act, prepare and lay out a report before the Houses of the Oireachtas, reviewing the abolition of the be-reavement grant, and setting out options for restoring those payments to their previous levels.”.

Amendment put and declared lost.

An Leas-Cheann Comhairle: Amendments Nos. 12 to 14, inclusive, have been ruled out of order.

Amendments Nos. 12 to 14, inclusive, not moved.

An Leas-Cheann Comhairle: Amendments Nos. 15 and 16 are related and will be discussed together.

Deputy Willie O’Dea: I move amendment No. 15:

In page 16, after line 35, to insert the following:

“26. The Pensions Act 1990 is amended by inserting a new section 48A as follows:

“48A. A solvent firm shall not be allowed to close a defined benefit pension scheme

except where the scheme has reached a minimum 90 per cent funding standard.”.”.

We had a discussion on this issue on Committee Stage when the Minister of State, Deputy Kevin Humphreys, not deliberately but certainly misinterpreted my intentions in this regard. In the United Kingdom the law states a solvent firm, a firm that can well afford it, cannot just walk away from its obligations under a defined benefit pensions scheme and close it down, unless it has funded it to the extent of 90%. I am proposing we have a similar rule here. My intention is not to put onerous responsibilities on firms to the extent that it will cause them to sack people. We are trying to create jobs, not lose them. There are firms, however, which could well afford to meet the standards set in the amendment without any great financial damage to themselves. We owe it to the workers who have been contributing for years in the legitimate expectation that they will have a certain rate of return to put it in place.

On amendment No. 16, I accept the position of deferred pensioners is being dealt with. However, if the trustees of a defined benefit pensions scheme decide, for whatever reason, be it financial pressure or that the scheme is in difficulty, to reduce the benefits paid to the different classes of people entitled to pensions under the scheme, effectively these pensioners will have no independent appeals mechanism. When I raised this issue on Committee Stage, the Minister of State told me they could go to the courts. We accept that, but going to the courts is not always a feasible option and can be expensive. I remind the House that the cost of going to court will not be reduced by the legal services Bill which has finally been agreed to by the Government. That Bill is a total cop-out, but that is a matter for another day.

Pensioners, of whatever category, who believe they have been harshly or unfairly dealt with by a decision taken by a pensions scheme's trustees should have the right to have an independent arbitrator look at the case they want to make. It might not make any difference as the arbitrator might decide that the trustees were correct. However, they should have that right and not be forced to go to court.

Deputy Aengus Ó Snodaigh: We had quite a long debate on this issue several years ago when we made substantial changes to how double insolvency was treated. At the time, we argued that solvent and highly profitable businesses, whether an individual business or a complex network, should not try to get out of their commitments to their workers, either current, former or deferred. There is a logic behind Deputy Willie O'Dea's proposal that there be a minimum 90% funding requirement. It should be a 100% requirement, given that we are talking about companies which are highly solvent and, in many cases, highly profitable, albeit located off-shore or in a different jurisdiction.

As for European-based companies, there should have been a greater degree of protection from the European Union in this regard. It should have a measure similar to the Globalisation Adjustment Fund, a package of which Ireland has availed in the past, where a company closes and moves to somewhere else in the European Union. If there were to be a pensions shortfall in such circumstances, there should be a measure whereby the totality of a company's profits could be taken into account when deciding on whether to have a different regime.

This proposal is to ensure any scheme would be at the limit of 90%. I would go further but 90% is better than what is currently the case and the deferred and future pensioners will be guaranteed to have something to show for their investment in their pensions, which they were encouraged to invest in when they joined those companies.

Deputy Joan Burton: I thank Deputy Willie O'Dea for tabling these two amendments. It is important to note that the decision to wind up a defined benefit pension scheme does not rest with the sponsoring employer. It is a matter for the trustees of the pension scheme. The trustees of pension schemes are duty bound to act in the best interests of all the scheme members regardless of their other roles and duties. Defined benefit pension schemes in Ireland are set up and maintained by employers on a voluntary basis. There has never been a statutory duty on employers to contribute to the pension scheme but employers have, by and large, made great efforts to support and deliver on the promises made to scheme members in defined benefit schemes.

The effect of the proposed amendment would be to place a statutory duty on an employer to secure scheme funding levels. Imposing significant additional costs on employers at this point could have a negative impact in respect of the financial health of businesses and the keeping of existing jobs given the extra costs involved. It could also possibly trigger the closure of pension schemes. Indeed, in certain circumstances, it could possibly trigger the closure of the company. I appreciate the intent of the amendment is to protect employees' pension entitlements but it is important that we examine what other consequences may flow from such a change. We have to reflect on issues which relate to the financial health of the business, job creation and retention and the possible effect on pension schemes. Defined benefit schemes have been experiencing difficulty across the world, in particular in Europe where they have been a marked feature of post-war Europe for many employees and have been very valuable.

The reality is that when Deputy O'Dea's party was involved in crashing the economy, we lost 330,000 jobs. Yesterday is the first day since December 2008 that the number of people employed in Ireland has increased to just 17,000 people shy of 2 million. Nearly 2 million people are now back at work. Deputy O'Dea knows that we inherited an appalling situation from his Government. Unfortunately, in that appalling situation of thousands of firms closing, chaos and terrible stress, many pension schemes got into dire difficulties. We spent the past number of years trying to rescue those schemes and many of them are now in much better financial health and have a much better future, although many companies closed their defined benefit schemes to newer and younger employees and have concentrated on defined contribution schemes.

I appreciate what Deputy O'Dea is saying. We are a significant way along on the road to recovery and although that recovery and stability is spreading out now, the impact of Deputy O'Dea's proposals could have unforeseen and negative consequences on jobs and could put some pension schemes at risk. Many good employers in Ireland - not to mention their employees and the contributions they made - have contributed strongly to defined benefit schemes. They have done their best to help the schemes return to a viable position. I will not agree to the proposed changes. The unknown consequences could be significant for firms and, perhaps, employees involved in the pension schemes and, in particular, for employment.

Deputy Willie O'Dea: It is true that technically it is the trustees who decide on the closure of a defined pension scheme. However, let us live in the real world. They do it in consultation with the employers. Effectively, it is the employer who closes it. Anyone who knows anything about the situation knows that to be the reality. I would not bring an amendment before this House that would result in companies closing down and jobs being lost. I emphasised that when I was making the case for the amendment but the Minister was talking to her officials. It is obvious she did not hear what I said.

Deputy Ó Snodaigh adverted to it but I am talking about a case in which a company is very

much solvent. The section or the amendment can be drafted by the Government as it sees fit to set out the criteria to apply. An Irish company might be only a small element of a huge, profitable multinational. Is it right that it can unilaterally decide to close down a defined benefit pension scheme even though the company is awash with money given it is only a small part of a much bigger multinational operation? I think a Labour Party government was in power in the UK when this was done, and the sky did not fall in.

The Minister did not address the second amendment concerning the right of a group of pensioners, if they felt they were adversely affected by a decision of trustees to reduce benefits to different classes, to some sort of independent appeals mechanism in which they could have confidence.

Deputy Joan Burton: Where a proposal is made to reduce or restructure benefits, trustees must have undertaken a comprehensive review of the scheme with a view to its long-term stability and sustainability. Such a review includes asking the employer for contributions sufficient to ensure scheme funding and the employer must have declined to pay those contributions. Trustees must notify in writing the scheme members, any persons receiving benefits from the scheme and the trade union or representative groups representing scheme members before they make an application to reduce benefits to the Pensions Authority. Once notified, the scheme members or those representing the scheme members are entitled to make written submissions to the Pensions Authority which will consider any submission prior to making a direction.

As Deputy O’Dea mentioned earlier, groups representing the interests of pensioners and deferred scheme members have a right to appeal a direction by the Pensions Authority to the High Court on a point of law. Earlier this year, I approved measures to facilitate engagement between the trustees of a pension scheme and groups representing the interests of pensioner and deferred scheme members. The changes to regulations require the trustees to notify groups representing the interests of pensioner and deferred scheme members in situations where the Pensions Authority is proposing to issue a unilateral direction under section 50 of the Pensions Act to restructure scheme benefits or to wind up a pension scheme under section 50B. This requirement will afford the representative group an opportunity to make a submission to the Pensions Authority on such proposals.

Deputy Willie O’Dea: The Minister says that the trustees, when making a decision, are legally obliged to carry out a comprehensive review. If I go to a court in this country to seek a decision, be it the Circuit Court or High Court, the court is obliged to consider my case comprehensively and examine all aspects of it, and I can still appeal. Why should the trustees have the final word here? The Minister says one can appeal to the Pensions Authority and it can issue a recommendation. A recommendation is not binding. It has been represented strongly to me, and presumably to the Minister’s staff as well, that people have no confidence in that process. They want a truly independent appeals mechanism in which they can have confidence. I am sorry the Minister is not prepared to provide that. I would not object unduly if the Pensions Authority was given powers to direct rather than recommend, provided I was satisfied that the people who are seeking this change would have confidence in the Pensions Authority. That appears to be distinctly lacking at present, for whatever reason.

With regard to the other matter, this has been done in other jurisdictions and the sky has not fallen in. It would be a deserved protection for people who have been paying into a scheme each year at their own expense, forfeiting money they could use for daily purposes or to enjoy themselves. Instead, they try to build up a pension. They have a legitimate expectation that

they will get what they are paying for, but in too many cases that has not happened. The Minister says it is all related to the crashed economy. Certainly the Irish economy crashed, but so did the economies of Portugal, Spain, Greece and other countries. I am not arrogant enough to let Fianna Fáil take the credit for all of that across the world.

The Minister mentioned the increased employment figures. What type of jobs are they and how do they compare with the jobs they have allegedly replaced? To what extent has the wages level risen? The Minister will find that the wages level is the same, which is a poor reflection on the type of jobs created.

Deputy Joan Burton: They are good jobs at high wage levels. The Deputy should take the time to read the reports.

Deputy Willie O’Dea: I welcome the fact that there has been some improvement and that there are more people at work. I am sure the public does too and that it will express its huge gratitude to the Labour Party at the election.

Amendment put and declared lost.

Deputy Willie O’Dea: I move amendment No. 16:

In page 16, after line 35, to insert the following:

“**26** The Pensions Act 1990 is amended by inserting a new section 48A as follows:

“**48A.**An appeals mechanism for pension scheme members shall be put in place where trustees have decided upon reduced benefits for members, and such appeals mechanism shall ensure that any category of such pension scheme members have not been unfairly treated in any restructuring arrangement.”.”.

Amendment put and declared lost.

Bill received for final consideration.

Question proposed: “That the Bill do now pass.”

Tánaiste and Minister for Social Protection (Deputy Joan Burton): Yesterday was a landmark in Ireland’s recovery for two reasons. First, the rate of unemployment fell below 9% for the first time since those dark and difficult days that Fianna Fáil led us to in December 2008. In all honesty, people would be very foolish to take Fianna Fáil at its word now.

There is nothing about significant improvements in social welfare in Fianna Fáil’s pre-budget statement. Perhaps Deputy Michael McGrath did not accept any of Deputy O’Dea’s proposals and he is airing them now because he could not get Fianna Fáil to agree to them. The package proposed by Fianna Fáil was roughly half of the social welfare package the Labour Party introduced. The package put forward by this Government was based on talking to people. They wanted the Christmas bonus restored, and a sum of just under €200 million was allocated for that.

There are now almost 2 million people at work. Fianna Fáil can scoff at people going back to work, but that is not the Fianna Fáil of Seán Lemass. He drilled into the Fianna Fáil members of his day that getting and keeping work was probably the most important thing that could happen in a family’s life. Each extra job represents an individual back in work and a family with

more money on the kitchen table to spend. It means arriving at a better place. Deputy O'Dea can choose to scoff.

The Deputy spoke about the quality of the jobs. He will be aware that yesterday the Government launched its schools programme. The Deputy's colleague from Limerick, the Minister for Education and Skills, Deputy Jan O'Sullivan, set out a programme for the investment of €2.6 billion in our schools. That involves the building or re-building of 310 primary and post-primary schools throughout the country. Happily, Limerick got a very fair mention in that large allocation. Deputy O'Dea can choose to scoff at extra educational resources for Limerick, but it is very narrow-minded to do that. He should be happy that many children will have a good, dry, warm school to attend, in which they can get a good education and move on, under Deputy Jan O'Sullivan's tenure as Minister for Education and Skills, to getting either a college place, which is the option chosen by many, or to an apprenticeship or traineeship. Next year, there will be more than 6,000 apprenticeships available. I know many of the areas of Limerick that are represented by Deputy O'Dea. Many a mother and father will be delighted to see their young son or daughter getting an apprenticeship, getting back to work and getting an opportunity to secure financial independence for themselves and for their families when they have children.

Yesterday was a landmark day, with unemployment falling below 9% and nearly 2 million people at work. Another 17,000 people at work will bring the figure for the number of people at work in this country to 2 million, which will happen over the next couple of months. The detailed information from the CSO shows that the people at work are almost all in full-time employment. With regard to wages and conditions, this Government has introduced, for the first time after a long period, enhancements and protections for workers to provide for improved terms and conditions. We reversed Fianna Fáil's miserable cut of €1 per hour in the minimum wage. I do not know if Deputy O'Dea was at the Cabinet table when that decision was made-

Deputy Brendan Howlin: He had had six ministries by then.

Deputy Joan Burton: -----but it was a disgrace. In January the minimum wage will increase by 50 cent per hour, the second increase during the Labour Party's participation in the Government. In addition, I and the Minister of State at the Department of Jobs, Enterprise and Innovation, Deputy Nash, have launched a campaign for a living wage, and that has been supported by a large number of both employers, happily, and trade unions and workers' representatives. Deputy O'Dea might argue, and I would agree, that the progress has not been as fast as we would like, but it is progress.

I will be followed shortly by the Minister for Public Expenditure and Reform, Deputy Howlin, who effectively is unrolling the Financial Emergency Measures in the Public Interest Acts and the wage cuts Fianna Fáil introduced in 2009 and 2010. Throughout staff rooms in Ireland, including in Limerick, teachers can look forward to new schools. There will be 2,400 extra jobs in teaching at primary and secondary level and extra special needs assistants, SNAs, next year. Already this year between 1,400 and 1,600 extra people are employed in teaching at primary, secondary, SNA and special school level. The increase will be 2,400 next year. In addition, those teachers, as they move to their new and refurbished schools, will know that the cuts in their salaries made by Deputy O'Dea's Government will be unrolled. That will be done in law and in legislation, starting on 1 January. All of that, by the way, will have been met within the framework of the fiscal rules that Fianna Fáil, in its own pre-budget statement, has set out and will abide by if in government, and other parties have set out similar positions.

All I can say is that it is a very good start to a strong recovery after all the hard work people have done and all the sacrifices they have made, given so many people lost businesses and employment when Fianna Fáil decided to do what it did and crash the country. Deputy O’Dea can choose to scoff but I think the scoffing is a little premature and very unwise.

Deputy Willie O’Dea: I think the Minister is suffering from flights of fancy. I do not scoff at people getting extra opportunities, whether they be in Limerick or elsewhere. However, is there not something slightly artificial about a Minister for Education and Skills, in the dying days of a Government which is about to go out of office in seven or eight weeks, announcing billions of euro for schools? We have the Minister, Deputy Alan Kelly, announcing billions for houses, all for the future. We might be able to take it seriously but for the famous Tesco ad-----

Deputy Brendan Howlin: We built more schools in the worst of times than they did in the best of times.

Deputy Willie O’Dea: -----if we did not recall the posters from one end of the country to the other, stating, “Vote Labour - No cuts in child benefit”, and if we did not have the spectacle of the Labour spokesman on education going in front of the television cameras and signing a pledge that there would be no increase in student registration fees. Labour did not tell the truth then. There is no reason to believe it is telling the truth now.

Question put and agreed to.

Financial Emergency Measures in the Public Interest Bill 2015: Order for Report Stage

Minister for Public Expenditure and Reform (Deputy Brendan Howlin): I move: “That Report Stage be taken now.”

Question put and agreed to.

Financial Emergency Measures in the Public Interest Bill 2015: Report Stage

An Leas-Cheann Comhairle: Amendment No. 1 is out of order.

Amendment No. 1 not moved.

An Leas-Cheann Comhairle: Amendments Nos. 2 to 6, inclusive, are related and will be discussed together. I call Deputy Mary Lou McDonald.

Deputy Mary Lou McDonald: I move amendment No. 2:

In page 6, to delete lines 3 to 29.

I am conscious today’s debate might be a re-run of the discussion and debate we had at committee.

Deputy Brendan Howlin: There is every danger of it.

Deputy Mary Lou McDonald: The stated objective of the winding back of the financial emergency legislation was in the first instance, according to the Minister, to give relief to low

and middle income public and civil servants. That was certainly the position the Government, not least the Minister himself, stated and restated at Lansdowne Road. Let it be said on the floor of the House that, as I have acknowledged at committee, it is true to say those on smaller incomes, and some on very low incomes, in the civil and public service will get a level of relief from this legislation - of that there is no doubt. It is not going to be transformative for those workers but, nonetheless, I know that is their view, and I have great sympathy for that view and for the unions that, after an annual diet of cutbacks and loss of income, consider that any alleviation is to be welcomed. I want to state that at the outset.

However, when we take Lansdowne Road and Haddington Road together, and look at this legislation, what we discover is that, in fact, it is at the higher end of earnings that full pay restoration is envisaged. The legislation sets out in respect of income over €65,000 up to a benchmark of €110,000 a two-stage full reinstatement, and then, for income in excess of €110,000, a three-stage full reinstatement is envisaged. I made the point to the Minister at committee, and I want to make it again, that in terms of equity and of delivering maximum relief, it is my view that his efforts should have been totally focused on those in the lower income bracket. It is ironic, given the Minister's stated position that this was all about relief for people on €65,000 and less, and all about those on low and middle incomes, that the only place complete income restoration is envisaged and set out stage by stage is for those portions of income above €65,000 and, indeed, above €110,000. My amendment seeks to remedy that situation.

I have also had an even longer-running conversation with the Minister in respect of pay generally within the public and civil service. We know that only a tiny proportion of civil and public servants earn in excess of €100,000 or €110,000. The Minister will know that, in the lifetime of this Dáil, I have debated with him the need for pay and pension restraint in the upper echelons. I am afraid we have not had a meeting of minds on that issue and, in the dying months of this Dáil, I do not imagine that is going to happen. The Minister rejected this amendment on Committee Stage and I imagine that is the course of action he will take here today, unless we are in for a real shocker. However, the reason I resubmitted this amendment and the other amendments is to place on record on the floor of the Dáil what I see as a more favoured position being afforded to higher portions of income. The question that arises is how it is that, in a staged way, full restoration of pay and conditions, in all of their aspects, is not similarly set out for people on lower income.

As the Minister knows, amendment No. 3 sets out that nothing in the section would provide for increases in the salaries of Members of the Houses of the Oireachtas or Ministers of the Government. On Committee Stage, the Minister stated that current Ministers would voluntarily forgo any portion of income returned to them. However, it should be noted that is a voluntary action, not set out in the legislation. I believe that is a mistake. Given that Members of the Oireachtas, particularly members of Government, have brought in emergency legislation that has introduced all kinds of cuts and hardship that have been felt deeply by people on the ground, it is only appropriate that Members of the Oireachtas, particularly Ministers, lead from the front in respect of the recovery.

Amendment No. 4 states that "Notwithstanding the generality of the foregoing, nothing in this section shall provide for increases in the salaries of public servants in receipt of salaries in excess of €100,000". I have already spoken on this matter in respect of amendment No. 2. Amendment No. 5 provides that: "nothing in this section shall provide for decreases in the pensions related deduction of members of the Houses of the Oireachtas or Ministers of the Government". Just as there should not be a payback or any kind of pay bonanza for Ministers, this

should equally apply to their pensions.

Amendment No. 6 focuses specifically on former Members or Ministers. Rightly, there has been much public concern and disquiet in this regard, particularly in respect of the bonanza pensions former Ministers and politicians are in receipt of. It is not lost on people that some of these individuals were at the helm when all of the bad decisions and bad governance that led to the economic crash occurred. It is not just my view but a view widely held that it is ironic, if not obscene, that those same individuals sailed off into the sunset with pensions that could not be in any way justified in the real world. This legislation should not be about returning pension income to those people who are and have been over-pensioned.

Deputy Sean Fleming: I seek clarification on one issue. The Minister will be aware I submitted a parliamentary question to him which was responded to yesterday. My question asked the Minister what was the percentage reduction in the annualised amount of the public service pension for Ministers who will retire on a full combined ministerial and Oireachtas pension in 2016 and if he would make a statement on the matter. This followed on our debate on Committee Stage.

I wish to know whether my interpretation of the answer the Minister gave is correct. He said that many Ministers would not have the full ten years' Cabinet service or the full 20 years' Oireachtas service. I am sure some will. He went on to say:

Subject to that caveat, and assuming enactment of the 2015 Bill, in the event that a full-service Cabinet Minister were to retire in 2016, the annualised amount of public service pension then payable to him or her would be reduced, on account of PSPR, by €2,536, or 2.75%, to €89,762 in 2016 following application of the relevant PSPR table, as set out in the 2015 Bill.

The Minister is saying therefore that a serving Minister who retires in 2016 on a full ministerial Oireachtas pension will be on a pension of €89,762. However, he went on to say:

It should be noted that the pension awarded to such a 2016 retiree [we are talking about Members of the Government who will retire next year] would be based on the pay rates in place just before the public service pay adjustments of July 2013 under the Financial Emergency Measures in the Public Interest Act 2013.

Am I correct on this? In 2013 we had the Haddington Road agreement and that agreement included reductions in pay for people in the public service on salaries of over €65,000. This included Ministers and Oireachtas Members. Am I correct that under the Lansdowne Road agreement and this legislation, this provision will be reversed in a couple of stages? The essence of the point made by Deputy McDonald is that this means there are now pay improvements for people on salaries of over €65,000, all because the Haddington Road agreement contained a sunset clause.

Deputy Brendan Howlin: It allowed for a grace period.

Deputy Sean Fleming: I am not talking about the previous Croke Park agreement. In the Haddington Road agreement, the agreement in which the Minister was involved, there was an expiry date or sunset clause in regard to the cuts made on the salaries of over €65,000.

Deputy Brendan Howlin: The grace period related to the pension.

Deputy Sean Fleming: Yes, and that could continue or be reversed under a new agreement. It lasted as long as the Haddington Road agreement and now we are starting to reverse that. Perhaps the Minister can explain this point. The Minister said it should be noted that the pension awarded to Ministers who are retiring in 2016 would be based on the pay rates in place just before the public service pay adjustments of July 2013. Are the pay rates in place now lower than those that were in effect prior to July 2013? Is the public service pension reduction, PSPR, on a higher or lower figure than what it was before the Haddington Road agreement?

Deputy Brendan Howlin: On amendments Nos. 2 to 6, inclusive, in the name of Deputy Mary Lou McDonald, amendment No. 2 would, *simpliciter*, prevent the pay cuts being restored to any public servant earning more than €65,000. The following amendment is a tautology and redundant, because if the cut is not being restored to anybody on over €65,000 it will not be paid to anybody on a salary of over €100,000. That person is obviously captured by the amendment that provides there would be no pay restoration for anybody on over €65,000.

Sinn Féin's position is that not a cent will be restored to anybody on a salary above €65,000, although proportionately these are the people who contributed most to the rebalancing in the crisis. Uniquely, they were subject to three pay cuts. People on salaries below €65,000 were subject to two pay cuts. Notwithstanding these people were hit for a third time, the amendment provides that they are not to get a cent more under Sinn Féin's proposals. Who are we talking about in this regard? We are talking about principals and deputy principals in primary schools, about directors of nursing in our hospitals, anybody above the rank of superintendent in An Garda Síochána and a range of other people, including every doctor in our hospitals, notwithstanding we made significant reductions in their pay. According to the ESRI report, only two countries made more significant reductions in pay during the crisis than we did.

Sinn Féin's position is that nobody on a salary of over €65,000 should get a cent back. Therefore, the whole concept of this legislation providing for an emergency situation is lost on Deputy McDonald. This legislation cannot exist outside of an emergency. We have no basis to cut people's pay other than there being an emergency.

4 o'clock

The whole idea of opening negotiations with the public sector unions this year was to ensure we had an orderly unwinding of FEMPI. I can be absolutely certain that if I accepted the course of action recommended by Sinn Féin, many people who are in receipt of remuneration in excess of €65,000 in the public service, some of whom are nurse managers, doctors, administrators, principals or deputy principals in primary or secondary schools, or their union on their behalf, would take legal action and this entire edifice would collapse at a cost, as I explained on Committee Stage, of €2.3 billion. I opened discussions with the public sector unions and we negotiated an agreement which is now being endorsed by the public sector committee of Congress and supported by the majority of public servants. I want to be very clear, the legislation is intended to give effect to a negotiated agreement, the Lansdowne Road agreement.

Amendments such as those we are discussing which seek to alter the terms would be in breach of that negotiated, agreed and voted upon agreement. I am not prepared to break my word and the word of this Government on a solemn agreement reached through collective discussions and negotiations with the public services committee of the Irish Congress of Trade Unions. I do not know whether the Deputy opposite has no regard for the public sector committee of the Irish Congress of Trade Unions but if I sit down and negotiate a position and ask them

to vote on it and if they bring their members along and explain it and carry it we are obligated to deliver on it. As I have said, specifically amendment No. 2 would delete the provision to give me any capacity to increase the salaries of public servants on salaries above €65,000.

Apart from the commitments given in the Haddington Road and Lansdowne Road agreements, it is important that the public service is able to compete for talent. We have had this discussion. The notion that nobody in the public service, in essence, should earn more than €65,000 - it used to be €100,000 but now it seems to be a new figure that the Deputy has invented - means that we will not have quality public services. We have had debates on other matters but I believe as a trade unionist all my life, and my family and my father before me, there is a suitable and an appropriate rate for the job and the notion that we can arbitrarily cut people's salaries outside the context of an emergency is quite wrong. We need to negotiate these issues with the representatives of our workers and we need to deliver on what is negotiated.

The Haddington Road agreement negotiated pay cuts. They were progressive from 5.5% to 10% with increasing remuneration bands for those who were in receipt of in excess of €65,000. I made the decision as a Minister and I imposed no pay cut in my time on anybody below €65,000. I thought that was a reasonable and fair position to adopt. I want to ensure that restoration happens. There are a couple of continuing inaccuracies which I would like to correct. I thought I had corrected this on Committee Stage. Deputy Mary Lou McDonald has said that the only people who are getting full restoration are people in receipt of more than €65,000, and others are not. That is not the case. The full restoration applies only to the third round of cuts - that is what is profiled - which only applied to those over €65,000 but that element of their pay that is below €65,000 is treated exactly as for everybody else. That is something we need to be clear about.

In relation to Deputy Sean Fleming's point and the parliamentary question response of yesterday. In each of the agreements we have had to date, when we cut people's pay from the very beginning of the FEMPI legislation, there is what we call a grace period. In other words, people who retired during the grace period, although their actual pay had been reduced by FEMPI, their pension was calculated on the pre-cut level. That is the way it was negotiated. That was negotiated as part of the Lansdowne Road agreement which was concluded in May 2015. Section 5(4) of the agreement states that the Government has indicated that it intends to provide in the legislation for a grace period consistent with the terms of this agreement during which both the reduction in pay and any deferred increment, the progression provided for under the Financial Emergency Measures in the Public Interest Act will be disregarded. The grace period has been a continuing and enduring element of the FEMPI legislation. There was much lobbying from all trade unions to ensure that grace period. Of course, everybody benefits equally from it. In relation to the pay side, the grace period or any other aspect of it, I have not disregarded anybody's individual rights because I have said that part of the structure and architecture of FEMPI is that it has broad and uniform application and it does not single out individuals for unique treatment.

The effect of the grace period was to allow pension benefits to be calculated on the rates of pay in effect before 1 July 2013 in this case. Pensions and equivalent PSPR contributions will be based on the earlier pay rates. That has been an essential element of the structure of FEMPI from the very beginning. I hope that answers the Deputies' questions.

In regard to the issue of Members of the Oireachtas or office holders, I have been clear from the beginning in answering questions. I know there might be some political capital in

saying that Deputies or Senators should not get anything back. I do not believe that we should disaggregate Deputies or Senators from the generality of pay. They are in a pay slot analogous to principal officers in the public service and they should not be disaggregated from that. They should get the restoration on the same basis as everybody else, not slower and not quicker than anybody else. If one was to go down the road of making a unique set of circumstances for Members of the Oireachtas there would be pressure never to give an increase. We would get back to the situation where only those who are privately wealthy would be Members or, of course, the miraculous situation of Sinn Féin Members who all live on the average industrial wage but with an extraordinary lifestyle. I do not know how they manage it. Perhaps they should give lectures on it. It is an area into which I will not go.

We also need to construct the architecture of FEMPI in the broad way I have described in order for it to be robust against constitutional challenge. We cannot start to pick individual categories of workers and say they must be treated separately and uniquely. One might say nobody is going to challenge it from the Oireachtas: maybe so. The legal advice we have is that the criterion for the maintenance of FEMPI is, first, to argue always that the emergency continues to exist and we need to be able to commence the course that this is an orderly wind down over time, consistent with the orderly removal of the recession and the pressures on the Exchequer; second, that the provisions have general application and are not confined to one narrow category of individual; and third that the measures actually make a contribution to national recovery. I think the Deputy is right, those of us who have been at the helm during this most difficult journey for the State from complete crisis when we came into government in 2011 to the path of recovery and have asked the people of Ireland to come with us on this dangerous path should give an example. The Government at its first meeting, when I presented the Lansdowne Road agreement to it, specifically determined that the members of the Government, our political advisers and the Ministers of State who hold office in this Government will not avail of any of the restoration set out in this legislation.

Deputy Seamus Healy: The Minister has just said that the legislation and these proposals cannot exist outside of an emergency. That is something that needs to be scrutinised because the Government is speaking out of both sides of its mouth on this issue. We have an emergency when it comes to this legislation, but there is no emergency when it comes to all of the other pronouncements made by various Ministers. In an opinion piece on 29 October in *The Irish Times* the Tánaiste wrote that “while the emergency is over, though, the need for reform is not”. However, reform is quite different from an emergency. On 13 October the Minister for Finance said:

The forecast deficit for 2015 of 2.1% is well ahead of our original target of 2.7% and our excessive deficit requirement of less than 3% of gross domestic product, GDP. Consequently, we will exit the corrective arm of the Stability and Growth Pact and move into the preventive arm of the pact.

The fiscal deficit is, therefore, now below what is required under the fiscal compact. The Minister went on to say, “The economy has been transformed. It is growing strongly across all sectors and, most importantly, sustaining and creating jobs.” He said:

The Department of Finance is forecasting growth of 4.3% in 2016 taking account of the figures endorsed by the Irish Fiscal Advisory Council and the full impact of today’s overall budget package. Economic growth is expected to average around 3% per annum thereafter.

He also said Ireland's debt would fall to just under 93% of GDP by the end of 2016, just below the European average. The Government is speaking out of both sides of its mouth on the question of there being an emergency. Because of this I can see a constitutional difficulty with this legislation.

In respect of the pension provisions, including on the withholding of pensions, included in the legislation, not restoring full pensions from 1 January 2016 is unconstitutional. As we know, pensions are seen as private property under the Constitution and this has been accepted by the courts. The retention by the State of €95 million in pension payments out of a figure of €125 million is unconstitutional. This issue needs to be addressed urgently.

On the withholding of payments to trade union members who voted democratically to continue the previous agreement which had not been completed, teachers and gardaí simply want a commitment that the details of the previous agreement will be maintained and honoured. My view is that the provisions included in the Bill on the withholding of payments from these trade union members constitute an anti-trade union position, one that has, unfortunately, been adopted by the Labour Party. There are significant difficulties with the legislation from both a constitutional and anti-trade union perspective.

Deputy Mary Lou McDonald: I thought I had set out my position very clearly, but I will rehearse it for the Minister because clearly he has misunderstood what I am saying. I am taking him on his word about the orderly unwinding of the FEMPI legislation. It was all about those earning under €65,000. He is on record countless times as saying this is what it is all about. The legislation is introduced and we discover that for those earning under €65,000, income will be partially restored, while for those on incomes over €65,000 and €110,000, it will be fully restored, in two steps in the first instance and three in the case of those on incomes over €110,000. I could not have been more clear in saying this to the Minister. The portions of income that will be fully restored are for those on high incomes, not those on incomes under €65,000. That is my problem with the legislation. I was taking the Minister on his word that the focus would be on workers on incomes under €65,000. That was the palaver at the time the Lansdowne Road agreement was implemented. It is only when one looks at the legislation and the Lansdowne Road and Haddington Road agreements that one sees the full dynamic picture of what is happening in respect of public pay. I have told the Minister that this is the wrong way to go about it. I have not made the argument that no one should earn one cent above €65,000; therefore, the Minister should not put those words in my mouth.

Deputy Brendan Howlin: That is the import of the amendments.

Deputy Mary Lou McDonald: The argument I have consistently made which the Minister might hear if he unblocked his ears is that this legislation and his efforts ought to be about restoring income for those under the €65,000 threshold. From talking to people who work in the Civil Service and the public service and some of their unions, I know that this is what they understood this was about initially. That is the rationale for my amendments - that one starts at the beginning and restores income for those under the €65,000 threshold. That would be an equitable and fair way to proceed. We should ignore the Minister's carry-on about solemn agreements iterated with all the solemnity he could muster; if he was true to his word and the position he had staked out initially, that is what the legislation would do.

The contradiction in the Minister's answer to me concerns Members of the Oireachtas. He says I am wrong-headed in seeking an exception for Members of the Oireachtas and members

of the Government, but he himself has conceded the point in telling us that Ministers, including Ministers of State, will voluntarily forgo the moneys to be restored to them. It seems he has acknowledged the exception for Members of the Oireachtas but particularly members of the Government, but he is not prepared to insert it in the emergency legislation. That is wrong. Those in government who visited austerity on the population at large on a grand scale should not benefit from this legislation and I make no apology for saying this straight up. The Minister did not address the issue of former Members of the Oireachtas and former taoisigh, tánaistí and Ministers, many of whom are in receipt of eye-watering and indefensible pensions and some of whom were the authors of the wrecking of the economy and the ensuing emergency. I do not believe in any set of circumstances that they should have their lost pension income restored to them. That is the wrong thing to do.

On the Minister's general approach, I know full well that he will not accept my amendments, but it is important that these matters be stated. I will finish by saying to the Acting Chairman that, with all due respect, we are dealing with a group of my amendments.

Acting Chairman (Deputy Bernard J. Durkan): With all due respect to the Deputy, she is well over time.

Deputy Mary Lou McDonald: I may be, but I will finish what I want to say.

Acting Chairman (Deputy Bernard J. Durkan): The Deputy must do so in accordance with the rules.

Deputy Mary Lou McDonald: There has been a difference of view about whether or not there is an emergency. I am in no doubt there is still an emergency and it is felt in households across the land. They are in no doubt that it is still an emergency to get the rent together, pay the mortgage, put a coat on the child's back or get schoolbooks. That is the stuff of emergency. In that light, the intention of the amendments was to place the focus where it properly belongs, on workers and incomes under the threshold of €65,000 and to make sure that people elected here, who should lead by example, members of the Government who are the most recent authors of austerity and past officeholders who brought about the calamity in the first instance, should certainly not be the beneficiaries of the Minister's orderly unwinding of the financial emergency measures in the public interest.

Deputy Sean Fleming: Will the Minister explain why, when this legislation is completed, one retired public servant with a gross pension of €60,000 will have a public service pension reduction, PSPR, of €1,320 and a pension in payment, subject to the usual taxes, of €58,680, while another retired public servant on the exact same pension will have a PSPR of €5,280? The second person will receive a pension in payment of €54,720. According to the Minister's reply to my question yesterday, the figures go very high, above the salary rates we receive. Taking two people on a pension of €70,000, one will pay a PSPR of €6,980 and the other will pay PSPR of €1,820, all because they retired on different dates. Some will have retired before 29 February 2012, others subsequently.

I know the Minister will justify his answer by saying that before they retired, they were on different gross pay rates. People find it hard to understand how two public servants on the same pension may retire within a day of one another but the difference in their PSPR is €4,000. The Minister may link it to their salary but those people could live for another 30 or 40 years, if God spares them, and one will be more severely disadvantaged than the other. There should

be a simple approach. The Minister said he has the principles of a trade unionist and spoke at length of a rate for the job. There is such a thing as a rate for retirement as well. If two people get €60,000 on retirement, they should pay the same rate of PSPR.

Deputy Brendan Howlin: Deputy Fleming's question is difficult for people to understand and it goes back to my point about the grace period. The pension will be calculated on the basis of the date of retirement. It will be the rate of pay that pertained during the grace period of the person's retirement. That changed with each new FEMPI Act. The actual reduction in people's pensions will end one day when the emergency is over but the calculation of the pension will not end. The people the Deputy mentions, who are paying a bigger PSPR on a higher calculated pension, will receive that higher calculated pension to the day they die. The pensions of the others, including every member of the Government when we retire, will be calculated on a reduced rate because they will be calculated on the rate of pay that pertained in 2013, which was considerably less than the rate of pay pertaining to our predecessors in government. Many retired at the last election with much better salaries. That filters down to everybody. The calculation is based on the actual date a person retired and is linked to the rate of pay captured in the grace period of the time. It would be shown more clearly in a table.

In response to Deputy McDonald, the import of her first amendment is that no public servant with an income above €65,000 would have a cent restored. She can dress it up and argue it and put words in someone's mouth as she talks about it but that would be the impact should I accept the amendment. Not only is that wrong but it would not sustain a constitutional challenge because when we emerge from this emergency, we cannot arbitrarily hold on to a cap on some people's salary because she determines it so. In essence, Deputy McDonald and Sinn Féin are saying that deputy principals or principals of primary and secondary schools, directors of nursing, senior gardaí, senior workers in local government or a whole range of other people should not get a cent back.

I have tried several times to explain but will try again, because I have sent the Deputy the table, the impact of the Lansdowne Road agreement. The restoration over three years, 2016 to 2018, will pre-eminently impact low-paid workers. Someone on €20,000 will get €1,625 back, or 8.1% of that salary. Someone at the top of the public sector pay scale, earning €185,000 will get back €1,000, or half of 1% of that salary. I will not quibble about the point that the Deputy is conflating the Lansdowne Road and Haddington Road agreements.

Deputy Mary Lou McDonald: They are both in the legislation.

Deputy Brendan Howlin: We have already negotiated, signed off and debated the Haddington Road agreement. Is the Deputy suggesting *ex post facto* years later, having implemented it in full and having asked workers to implement it, that we should renege on it? It does not make sense. It would be a breach of trust with the people with whom we negotiated and it is set out in black and white in the Haddington Road agreement. It was years ago. People did not have any issues with it until now, when we start to implement it as we emerge from the crisis.

The final point in Deputy McDonald's contribution is that we should legislate to uniquely exclude from any pay rise Members of the Oireachtas and officeholders. That runs counter to the structure and architecture of the financial emergency measures in the public interest legislation, which cannot single out one cluster of workers for special attention. That is why I am saying the Government will voluntarily exclude itself but I do not ask Members of the Oireachtas, Deputies or Senators to exclude themselves. They are linked to principal officers in the public

service and that is the determination. As they enjoy pay restoration, so should Members of the Oireachtas. That is my view on it and it is the view of many Members of the Oireachtas. They might not be rushing into the House to support me today but I believe many people will be of that view.

I want to deal with Deputy Healy's general point, which I understand is that the emergency is over, give everything back.

Deputy Seamus Healy: That is what the Minister is saying.

Deputy Brendan Howlin: No. I presume that is what the Deputy is saying, unless he is mouthing-----

Deputy Seamus Healy: The Tánaiste said it.

Acting Chairman (Deputy Bernard J. Durkan): The Minister is replying.

Deputy Brendan Howlin: -----the argument to no avail or for the sake of coming in here and saying that some people are saying the emergency is over and, therefore, it must be over. What is the point if he does not agree with that point of view? The Preamble to the Bill sets it out in fairly clear terms. It states, "WHEREAS economic growth has resumed and the State's international competitiveness has improved and a significant improvement in the fiscal circumstances of the State has occurred;". All of that is acknowledged in terms of what the Tánaiste, the Minister for Finance and I have said. It goes on to state, "AND WHEREAS it remains necessary to retain firm control of current Exchequer expenditure so as to ensure ongoing access to international funding and improve competitiveness, while taking into account the continuing risks to the public finances which remain, and the need to meet the State's commitments to have a prudent fiscal policy under the Stability and Growth Pact and the Fiscal Compact;". It then sets out the provisions of this Bill.

Pay and pensions are private property under the law and under the determinations of the court. That is why we can only interfere with it in exceptional circumstances where there is a real and demonstrable emergency. I do not think anybody would argue that we have not endured that as a nation over the past number of years. We are not out of the woods yet. We have made enormous progress, as the Tánaiste indicated to the House in the debate on the Social Welfare and Pensions Bill. Thankfully, we do not have the 15.2% unemployment rate we had shortly after this Government came into office and we are now almost back to having 2 million people in work, which is fantastic, but we have a way to go. We still have 8.9% of the population unemployed and we need to get them back into work. We need to undo the FEMPI legislation in a structured and orderly way. I did not invent the structure of it. I negotiated the structure of it with the trade union movement and asked it to endorse it, and the public sector congress of trade unions have endorsed the proposals I am asking the Oireachtas to support today.

On Deputy Healy's final point that we are withholding something from any worker, there is no decision to withhold anything from anybody in the legislation before us. I hope that everybody will embrace the Lansdowne Road agreement and enjoy the full benefits, as every worker should, from this legislation.

Acting Chairman (Deputy Bernard J. Durkan): Deputy Mary Lou McDonald has the right to reply.

Deputy Mary Lou McDonald: Is the Acting Chairman asking me if I am pressing the amendment?

Acting Chairman (Deputy Bernard J. Durkan): Yes. How stands the amendment?

Deputy Mary Lou McDonald: I am pressing the amendment.

Amendment put and declared lost.

Deputy Mary Lou McDonald: I move amendment No. 3:

In page 6, between lines 29 and 30, to insert the following:

“(5) Notwithstanding the generality of the foregoing, nothing in this section shall provide for increases in the salaries of members of the Houses of the Oireachtas or Ministers of the Government.”.

Amendment put and declared lost.

Deputy Mary Lou McDonald: I move amendment No. 4:

In page 6, between lines 29 and 30, to insert the following:

“(5) Notwithstanding the generality of the foregoing, nothing in this section shall provide for increases in the salaries of public servants in receipt of salaries in excess of €100,000 before the coming into effect of this section.”.

Amendment put and declared lost.

Deputy Mary Lou McDonald: I move amendment No. 5:

In page 9, between lines 4 and 5, to insert the following:

“(7) Notwithstanding the generality of the foregoing, nothing in this section shall provide for decreases in the pensions related deduction of members of the Houses of the Oireachtas or Ministers of the Government.”.

Amendment put and declared lost.

Deputy Mary Lou McDonald: I move amendment No. 6:

In page 12, between lines 8 and 9, to insert the following:

“(8) Notwithstanding the generality of the foregoing, nothing in this section shall provide for a reduction in Public Service Pension Reduction of former members of the Houses of the Oireachtas or Ministers of the Government.”.

Amendment put:

<i>The Dáil divided: Tá, 32; Níl, 93.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Adams, Gerry.</i>	<i>Aylward, Bobby.</i>
<i>Boyd Barrett, Richard.</i>	<i>Bannon, James.</i>
<i>Broughan, Thomas P.</i>	<i>Barry, Tom.</i>

<i>Collins, Joan.</i>	<i>Browne, John.</i>
<i>Colreavy, Michael.</i>	<i>Butler, Ray.</i>
<i>Coppinger, Ruth.</i>	<i>Buttimer, Jerry.</i>
<i>Creighton, Lucinda.</i>	<i>Byrne, Eric.</i>
<i>Daly, Clare.</i>	<i>Calleary, Dara.</i>
<i>Doherty, Pearse.</i>	<i>Cannon, Ciarán.</i>
<i>Ellis, Dessie.</i>	<i>Carey, Joe.</i>
<i>Ferris, Martin.</i>	<i>Coffey, Paudie.</i>
<i>Fitzmaurice, Michael.</i>	<i>Collins, Áine.</i>
<i>Fleming, Tom.</i>	<i>Collins, Niall.</i>
<i>Halligan, John.</i>	<i>Conaghan, Michael.</i>
<i>Healy, Seamus.</i>	<i>Conlan, Seán.</i>
<i>Mac Lochlainn, Pádraig.</i>	<i>Connaughton, Paul J.</i>
<i>McDonald, Mary Lou.</i>	<i>Conway, Ciara.</i>
<i>McGrath, Finian.</i>	<i>Costello, Joe.</i>
<i>McLellan, Sandra.</i>	<i>Cowen, Barry.</i>
<i>Murphy, Catherine.</i>	<i>Creed, Michael.</i>
<i>Murphy, Paul.</i>	<i>Daly, Jim.</i>
<i>Naughten, Denis.</i>	<i>Deasy, John.</i>
<i>Ó Caoláin, Caoimhghín.</i>	<i>Deenihan, Jimmy.</i>
<i>Ó Snodaigh, Aengus.</i>	<i>Deering, Pat.</i>
<i>O'Brien, Jonathan.</i>	<i>Doherty, Regina.</i>
<i>O'Sullivan, Maureen.</i>	<i>Dowds, Robert.</i>
<i>Pringle, Thomas.</i>	<i>Doyle, Andrew.</i>
<i>Ross, Shane.</i>	<i>Durkan, Bernard J.</i>
<i>Shortall, Róisín.</i>	<i>Feighan, Frank.</i>
<i>Stanley, Brian.</i>	<i>Ferris, Anne.</i>
<i>Tóibín, Peadar.</i>	<i>Fitzgerald, Frances.</i>
<i>Wallace, Mick.</i>	<i>Fitzpatrick, Peter.</i>
	<i>Fleming, Sean.</i>
	<i>Grealish, Noel.</i>
	<i>Griffin, Brendan.</i>
	<i>Harrington, Noel.</i>
	<i>Harris, Simon.</i>
	<i>Hayes, Tom.</i>
	<i>Healy-Rae, Michael.</i>
	<i>Heydon, Martin.</i>
	<i>Howlin, Brendan.</i>
	<i>Humphreys, Heather.</i>
	<i>Humphreys, Kevin.</i>
	<i>Keating, Derek.</i>
	<i>Keaveney, Colm.</i>
	<i>Kehoe, Paul.</i>

	<i>Kenny, Seán.</i>
	<i>Kirk, Seamus.</i>
	<i>Kyne, Seán.</i>
	<i>Lawlor, Anthony.</i>
	<i>Lynch, Ciarán.</i>
	<i>Lyons, John.</i>
	<i>McCarthy, Michael.</i>
	<i>McConalogue, Charlie.</i>
	<i>McEntee, Helen.</i>
	<i>McFadden, Gabrielle.</i>
	<i>McGinley, Dinny.</i>
	<i>McGrath, Mattie.</i>
	<i>McGrath, Michael.</i>
	<i>McLoughlin, Tony.</i>
	<i>Mitchell O'Connor, Mary.</i>
	<i>Moynihan, Michael.</i>
	<i>Mulherin, Michelle.</i>
	<i>Murphy, Eoghan.</i>
	<i>Nash, Gerald.</i>
	<i>Neville, Dan.</i>
	<i>Nolan, Derek.</i>
	<i>Noonan, Michael.</i>
	<i>Ó Cuív, Éamon.</i>
	<i>Ó Fearghail, Seán.</i>
	<i>Ó Ríordáin, Aodhán.</i>
	<i>O'Dea, Willie.</i>
	<i>O'Donnell, Kieran.</i>
	<i>O'Donovan, Patrick.</i>
	<i>O'Dowd, Fergus.</i>
	<i>O'Mahony, John.</i>
	<i>O'Reilly, Joe.</i>
	<i>O'Sullivan, Jan.</i>
	<i>Penrose, Willie.</i>
	<i>Perry, John.</i>
	<i>Phelan, Ann.</i>
	<i>Phelan, John Paul.</i>
	<i>Rabbitte, Pat.</i>
	<i>Ring, Michael.</i>
	<i>Ryan, Brendan.</i>
	<i>Sherlock, Sean.</i>
	<i>Smith, Brendan.</i>
	<i>Spring, Arthur.</i>
	<i>Stagg, Emmet.</i>

	<i>Stanton, David.</i>
	<i>Tuffy, Joanna.</i>
	<i>Twomey, Liam.</i>
	<i>Wall, Jack.</i>

Tellers: Tá, Deputies Mary Lou McDonald and Aengus Ó Snodaigh; Níl, Deputies Paul Kehoe and Emmet Stagg.

Amendment declared lost.

Acting Chairman (Deputy Bernard J. Durkan): Amendment No. 7 in the name of Deputy Clare Daly is out of order.

Amendment No. 7 not moved.

Deputy Sean Fleming: I move amendment No. 8:

In page 13, between lines 6 and 7, to insert the following:

“Report on public service pensions

8. The Minister shall, within one month of the passing of the *Financial Emergency Measures in the Public Interest Act 2015*, prepare a report on the number of people whose annualised amount of public service pension exceeds €34,132.”.

On Committee Stage we discussed the matter of people over various rates of pension, for example, €34,132. What we find under the legislation is that people with a pension of that amount would have full restoration of their public service pension reduction during the lifetime of the agreement but people over that rate would not achieve a full restoration. The amount of €34,132 possibly equates to people who were on salaries of approximately €65,000, which was a benchmark figure in the Haddington Road agreement.

I tabled an amendment on the issue on Committee Stage and it was ruled out of order as a possible charge on the Exchequer. I have now approached the matter in a different way because the Retired Civil and Public Servants Association, which the Minister said he did meet, is still not happy that a number of its members will be excluded from the improved position for those who are in receipt of a pension of less than €34,132. The association also said there is another problem given the age group of the cohort in question. The people are retired public servants and they are being asked to wait for a number of years to get the benefits that will accrue to their pension above the figure of €34,132. Nothing in the agreement for the next three years will allow those on pensions above that figure to have the same benefit as people whose pension is below that figure.

We discussed the current situation on Committee Stage. I believe what the Minister said at the time. He was sincere in what he said and I was happy with the tone of his response at the time. However, as the agreement runs until 2018, the legislation as it stands specifies that the

matter can be re-examined in three years' time for people on pensions of more than €34,132. That is no good to elderly people who are in their 70s or 80s at this stage, who are being told that portion of their pension will be looked at in three years' time to see whether an improvement could be made at that stage. The Minister has made the position clear in the course of the detailed debate, which follows on from Deputy Healy's comment earlier on which we had a debate of one hour on Committee Stage. He is essentially saying the emergency will continue for a number of years into the future because the Government will not be able to restore everything in one fell swoop.

Deputy Brendan Howlin: We will not be able to find €2.1 billion.

Deputy Sean Fleming: Until such time as the Government is able to restore everything it wants to maintain what I refer to as the fig leaf of the emergency legislation. I do not believe there is a requirement for that. Moments ago, I listened to the Minister's party leader speak immediately before the debate and she was extolling the billions the Government is spending on schools. The Government said it has built more schools than we even did in the best of times.

Deputy Brendan Howlin: We did.

Deputy Sean Fleming: Nobody could reconcile what was said at the end of the previous debate with the concept of being in a financial emergency. The amendment specifically seeks that within one month of the passing of the legislation a report would be prepared on the number of people whose annualised amount of public service pension exceeds €34,132. In the intervening week I took advantage of the opportunity to table a parliamentary question to the Minister.

Deputy Brendan Howlin: That was clever.

Deputy Sean Fleming: I received a response to the question last night. In a way, I do not have to wait a month for the report because I have the gist of it in the reply to my parliamentary question last night. Public servants will be interested in the figures as there have only been estimates of figures previously. It was said that 65,000 people would benefit from the measure. I still ask the Minister that a report be prepared in order to provide further detail than the half-page table I received last night, although the table provided a response to the question I asked in the short parliamentary question. The Minister said there are 16,800 pensioners in the pension band €34,132 to €40,000, and between €40,000 and €50,000 there are 10,100 people. The gist of my amendment on Committee Stage was to extend the benefits accruing to those in receipt of a pension of up to €34,132 to those in receipt of a pension up to €50,000. We now know that would involve 26,900 public servants who are in receipt of a pension.

If I tie in the amendment with the Committee Stage debate, my party seeks that those 26,900 public service pensioners who are in receipt of a pension of less than €50,000 – it is not a massive figure but it is a substantial and generous figure – would be exempt from the public service pension reduction in line with everybody else in receipt of a pension of less than €34,132, as provided for in the legislation. We are now talking about a large but specific group of people who were in relatively senior positions but not in the highest echelons in the public service. Some people in the Retired Civil and Public Servants Association would have liked me to go even further and to increase the pension threshold above €50,000. A total of 3,100 are in the category of being in receipt of a pension of between €50,000 and €60,000. A total of 800 people are in the category of pension between €60,000 and €70,000. A total of 700 are in the category between €70,000 and €80,000. A total of 300 are in the category between €80,000 and €90,000.

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A total of 200 pensioners are in the category of pensions between €90,000 and €100,000. I am shocked and surprised to see there are 500 public service pensioners on pensions of more than €100,000. I am not here to fight the case for anybody on a pension of more than €100,000 and I do not think anybody in the House would fight that case. That is the type of money people can only dream about. It is equivalent to winning the lottery for many people to be on a pension of €100,000. If one is on a pension of more than €100,000, €90,000, €80,000, €70,000 or €60,000, one is not doing too badly at all and I am not here to fight one's case, but I am here to fight the case for people whose pensions are below €50,000, namely, 26,900 people.

The Minister understands where I am coming from in this regard. The amendment is very simple. It just asks the Minister to produce a report on the numbers involved who are in receipt of pensions over €34,132. I have made my point clearly. If the Minister produces a report within a month of the legislation passing – I have given him a reasonable amount of time to do that – I hope it will be a detailed and comprehensive report on which the Joint Committee on Finance, Public Expenditure and Reform could have a detailed discussion. It is important to provide the public with such information because those people were not represented at the Haddington Road talks and they were not represented at the Lansdowne Road talks. It would be an opportunity, especially for the group of 27,900 people to have their case made, as they have a legitimate case. Another 5,000 people are on much higher pensions. More luck to them that they are on those pensions. People here want to reduce the pensions reductions of some of those people but I am not in the business of fighting their case in that regard.

The Minister made an interesting point on Committee Stage, to which I responded that I was happy with the tone of what he said. Just because we are passing the legislation today does not preclude the possibility of some of this being looked at next year. I was pleased to say that and I teased out the issue with the Minister.

5 o'clock

It would involve further amendment to the FEMPI legislation in 2016, were Members so minded to do this in the Estimates for future years.

I put on record my hope that in 2016, regardless of whosoever is on whatever side of the House, Members will revisit this matter outside the Lansdowne Road agreement because I reiterate these people were not involved in those negotiations or did not have a vote and were excluded unfairly but they definitely were affected by the agreement. Consequently, I ask the Minister to prepare this report to enable Members to have an informed debate in this Chamber in 2016 on the aforementioned pensioners, with a view to making some improvement to their position in 2016 in the knowledge that will require a further amendment to the FEMPI legislation to so do. I seek the report in order that Members can state their case here in the Chamber.

Deputy Brendan Howlin: As I indicated on Committee Stage, I have great sympathy for the point made by the Deputy. It always has been the structure of public service pay negotiations that representatives of the pensioners are not involved formally. While this always has been the way, going back as long as one cares to look, I was concerned there was an impact on pensioners to which one should listen. This is why, on meeting the various disparate groups at the beginning of this process, I suggested to them they should co-ordinate and have a single overarching pensioner representative committee. In fairness to them, they did just that and I told them that if they did so, I would meet them, which I did. As my officials kept in touch with them throughout the Lansdowne Road discussions, they were involved.

As for pension reduction, it was determined in the Haddington Road process as appropriate and just that were pay to be cut for those on €65,000, the analogous pension rate, which was €32,500, also would make a small contribution to the financial emergency because that relates to a pay rate of €65,000 and above. Obviously, this was done on a sliding scale, whereby very highly-paid pensioners were asked to pay proportionately much more. At the top level of the additional pension contribution I required from high-paid pensioners, I went as far as the constitutional advice I had would allow me, because one must be careful not to expropriate a property right, in order that they were making a proportionate contribution in the national interest to an emergency and its resolution. This was the architecture on which the Government determined. When it came to the Lansdowne Road agreement and pay restitution, I thought equally that the pension restitution mechanism should mirror the pay restitution mechanism. As some pensioners were concerned they would not get a look-in at such a resolution, I made it clear they also would get pension restitution.

To deal with the specific amendment before Members, the Deputy seeks a formal report. I do not believe that should be written into legislation but I am happy to give information to the Deputy. As the Deputy has readily acknowledged, I gave the information he has requested in a response to a parliamentary question yesterday. Consequently, he does not need legislation to acquire such information as a simple parliamentary question or a telephone call would have prompted me to give the information to him. As the Deputy will recall in the aforementioned reply - he has put it on the record - based on the data available there are approximately 32,500 public service pensions in payment that exceed the €34,132 threshold. I thought it serendipitous that the actual number of pensioners is 32,500, which in my mind was the rate that was half the €65,000 pay threshold. It is interesting to note that in percentage terms, this is approximately 20% of all public service pensions. In essence, my point is the restoration that will happen over the next three years will be full restoration for 80% of all pensioners, that is, 80% of all pensioners will get full pension restoration during the course of the next three years.

I do not wish to be macabre or maudlin about it but am mindful that, as the pensioner representatives made clear to me, their urgency might be greater than someone who is working, in terms of what one might call their horizon of existence. It was for this reason that I indicated during the Committee Stage debate that while this legislation was negotiated during 2015, when the Lansdowne Road agreement was finalised in May, circumstances were not as good as they are now. Please God and with a steady hand on the tiller for the next year or so, matters will improve again next year and I am minded, having regard to the strong case made by the Deputy and the case made by the pensioner representatives, that if the opportunity arises, the Government might look again at the pension case for the balance of pensioners. However, I should make the point to the Deputy that when it comes to full pension restoration to that category at the very top, there will be difficult decisions to be made by whoever is at the tiller at that stage, because I do not believe there is a clamour, political or otherwise, for pension restoration for those in receipt of what in the cold light of day look like extraordinarily high pensions. I am happy to provide the Deputy with any information he needs but it is not necessary and I certainly am not minded to put that into legislation.

Amendment, by leave, withdrawn.

Acting Chairman (Deputy Bernard J. Durkan): Amendment No. 9 is out of order.

Amendment No. 9 not moved.

Acting Chairman (Deputy Bernard J. Durkan): Amendments Nos. 10 and 11 are related and will be discussed together.

Deputy Mary Lou McDonald: I move amendment No. 10:

In page 14, lines 4 and 5, to delete “in a collective agreement” and substitute “in collective agreements”.

Members had a brief exchange on this matter on Committee Stage and I seek reassurance that this legislation will not render null and void other agreements outside of the Lansdowne Road agreement. There was some discussion on Committee Stage on the striking of different sectoral arrangements between different categories of workers in bilateral arrangements and agreements. I seek reassurance, as do the aforementioned workers, that all of that still holds and the Minister might say a few words on that matter.

As I have the floor, I also ask the Minister to address the provision in the legislation, I believe it is at section 4, the language of which appears to me to be targeted specifically at those who the legislation deems to be outside the collective agreement. This provision envisages penalties for those workers, that is, those who did not vote for the agreement. When the Minister responds, I ask him to say some words on that matter also.

Deputy Brendan Howlin: First, I will deal with the specific points made by the Deputy. For people who have not been involved in discussions on public sector pay, it is an extraordinarily complicated set of negotiations because one has so many unions and so many different agreements. Obviously, one must take a sectoral approach and such an approach has been taken with the key people from, for example, health in discussions with health representatives, be it from the Services Industrial, Professional and Technical Union, SIPTU, the Irish Nurses and Midwives Organisation, INMO, or others and likewise across each sector, including local government, the Civil Service, education and so on. There is a central co-ordination in all these discussions and needless to add, a lot of people are sitting around for a very long time who are not directly involved, in any given moment, in the overarching discussions. As I stated on Committee Stage, when one has senior representatives of both management and the workers in trade unions, it would be unusual if they did not take the opportunity to have bilateral discussions on outstanding or long-standing issues and that has happened. These bilateral discussions and agreements are not part of the overarching agreement and never in the past have been part of an overarching agreement. The people who engaged in the bilateral discussions, in respect of which they reached an agreement, had that agreement validated by the then Labour Relations Commission, now the Workplace Relations Commission, through the creation of what are known as chairman’s notes, which are separate from the overarching Haddington Road or Lansdowne Road agreements but form an integral part of good working relations at public sector level. Although those notes are not brought to my attention, the sectoral Ministers would be aware of the part of those notes which pertain to their areas of operation and information has been instanced in responses to parliamentary questions.

On the second issue raised by the Deputy regarding penalties, there is no intention of any penalties being introduced for anybody. It is my strong desire that all public sector workers be fully encompassed by the pay restoration mechanism set out in this agreement. It comes back to the point made by Deputy Seamus Healy that in any negotiation between management and trade unions, there is give and take on both sides. Management on this side, namely, the State, has to be mindful of what the State can afford. The cost of full restoration of all elements of

FEMPI is, as I have indicated to the House previously, approximately €2.2 billion. We could not find €2.2 billion in 2016 without impacting enormously on other services or breaching the legal basis in which we are now obliged to anchor our fiscal policy, namely, the Stability and Growth Pact. Neither option was desirable or wise and so we did not do that.

As I said, following serious negotiations, during which there was much toing and froing, in terms of discussion, a deal was cut. That deal was then brought back to the trade unions. The public services committee of congress is the recognised body to validate or reject an agreement and it endorsed this agreement. The majority of public servants, represented by trade unions, endorsed the agreement. This legislation, which I am asking the House to endorse, follows on from public servants' endorsement of the agreement. What we are doing by way of this legislation is endorsing the negotiated agreed position with the Irish Congress of Trade Unions through the public services committee of congress.

In regard to what happens to persons who or unions which want to exclude themselves from the agreement, I am not leveraging anybody into this, although I hope everybody will sign up to it. We cannot have a situation whereby people would take on only the benefits and none of the liabilities of it in terms of ask by the management side. That would not be fair to those who are carrying the burden. I am sure the trade union movement as a whole would be very miffed if anybody who is not part of congress were to benefit from full pay restoration and whatever else is on offer but not subject to any of the other requirements of the agreement. That is not the way solemn overarching agreements work. That is not the way collective negotiations operate. When collective agreement, based on majority support, is reached, everybody is bound by it. It cannot be the case that some are bound by it and others are not and can go their own way. If someone excludes himself or herself from it, then he or she is excluded. That is something over which we have no control. It is not possible to cherry-pick.

As I have already indicated to the trade unions which have rejected by vote the Lansdowne Road agreement, I am happy for my officials to sit down with them and bring them through the consequences in detail. I make that offer again today to all trade unions. One of the trade unions representing teachers is protesting outside Leinster House today. The teachers have negotiated a particularly strong deal in relation to this agreement. While the INTO, which is the biggest teacher trade union, has endorsed this agreement, the TUI has not. There are two elements to that. Again, I am happy for my officials to sit down with the TUI and go through its concerns. The higher paid TUI members might be concerned about the speed with which the top level pay is being restored. We have structured this so that initial benefits go to low and middle income workers. That is how it should be. I understand that one of the concerns of the TUI is the speed of abolition of the pension reduction. It is concerned that the pension reduction over the next three years will affect only 80% of workers, presumably, because some of its members are on pensions greater than €35,000 per annum and it would like the pension reduction applied to them restored more quickly.

We have deliberately focused this on low and middle income earners and low and middle income pensioners in the first instance. There will be full restoration over time. I would ask that trade unions which have concerns about this sit down with my officials who will go through it in some detail.

Deputy Mary Lou McDonald: I thank the Minister for his clarification on the sectoral arrangements. I do not doubt that dealing with such a body of workers is complicated by definition. I raised the issue in relation to section 4 for the following reason. I acknowledge the

Minister and his predecessor negotiated with trade unions but it was always on the understanding, or the threat, that agreement would be reached-----

Deputy Brendan Howlin: My predecessor did not negotiate.

Deputy Mary Lou McDonald: I stand corrected. The Minister is right. I apologise for that misrepresentation of his predecessor. In any event, in the Minister's case, it was a matter of negotiating on the absolute understanding that in the absence of agreement, he would legislate. There are echoes of this in section 4. Can the Minister confirm that in amending the 2013 FEMPI legislation, he is providing for an extension by a further two years of the suspension of incremental pay scales in respect of those not encompassed by a registered collective agreement, namely, the Lansdowne Road agreement? The concern is - it is a legitimate concern which goes beyond this particular legislation to the manner in which generally industrial relations are conducted and agreements are reached - that for those workers who do not fall into line in terms of signing up to the agreement, the Minister will legislate to penalise them. That is a cause of worry for, as referenced by the Minister, teachers. More generally, if this is the new *modus operandi* of the State in terms of how it collectively bargains, it should be a cause of concern for everybody working in the public service and Civil Service. Workers are being told, "Agree or we legislate", or "Agree and not alone will we legislate but we will legislate in a fairly targeted way to penalise you." That is not a good day out, particularly for somebody such as the Minister who many times has set out his own trade union credentials and those of his forefathers.

Deputy Brendan Howlin: This Bill does not seek to do anything more than implement a negotiated agreement. What I will not do in the context of the restoration of pay and conditions which were negotiated is provide those to people who are not party to the agreement. To do so would be unfair to those who are party to it. In the case of any union not complying with the terms of a negotiated agreement democratically voted upon and accepted by the majority of workers and endorsed by the Irish Congress of Trade Unions, it would be extremely difficult to justify people who exclude themselves from that agreement being allowed to gain in respect of the positive side of the agreement while at the same time excluding themselves from doing things that their fellow workers, often in the same workplace, would undertake to do in terms of the maintenance of hours and other things required under the agreement. This is not unique to the public service. It applies to any negotiated agreement in any workplace. I cannot envisage a situation where representatives of SIPTU or any union would go into a workplace to negotiate terms and conditions for members only to have one person say, "I will take the overtime rate increase and the additional pay, thanks very much, but I will not do the things the rest of my colleagues are doing". Would other workers be expected to accept that individual's position? That is just not the way collective bargaining works. It involves a representative sitting down and negotiating with an employer. Workers buy into the collective agreement or exclude themselves from it; they cannot buy into the good bits and exclude themselves from the parts they do not like. That is not how any agreement or negotiation, in the trade union or any other sphere, could or does operate.

Deputy Seamus Healy: The Minister says he does not want to see penalties imposed, but this section is concerned with setting out penalties and punishments for unions that are not part of the Lansdowne Road agreement. The unions that have not accepted the agreement but are party to the Haddington Road agreement want to continue to avail of the terms of the latter.

Deputy Brendan Howlin: They will be able to avail of those terms in full.

Deputy Seamus Healy: They are not trying to pick and choose anything from the Lansdowne Road agreement. They want to be able to maintain the current situation, where they are a party to the Haddington Road agreement, and not be penalised because they have chosen democratically not to be part of the new agreement. The Haddington Road agreement has not run out and remains in place. The unions in question simply want to continue its terms. They are not cherry-picking in any way in regard to the Lansdowne Road agreement.

Deputy Sean Fleming: Does the Minister know how many public servants are not members of trade unions? I often meet public sector workers who tell me their union due is €300 per year, which is the same as their car insurance premium. A number of public servants have made that point to me and questioned what they get for their money. That is a matter for trade unions and their members to sort out, but it is a point that is often raised with me. Some of those public servants have decided to opt out of union membership and keep the €300 or so per annum to do with as they choose. Where do non-union public servants fit into the mix in terms of implementation of the Lansdowne Road agreement? Surely that agreement is not just for members of trade unions? In the interests of proper management of the public service, I hope it will cover everybody employed in the service. Although non-union workers were not part of the negotiations and are not party to the agreement, it would make no sense to exclude them.

As the Minister knows, some 600,000 people are trade union members, 300,000 of whom are public servants. This suggests only 300,000 out of a private sector workforce of some 1.7 million are members of trade unions, which represents one in six or thereabouts. In other words, the overwhelming majority of private sector workers are not in trade unions, while the overwhelming majority of public servants are. However, not all public service workers are in that camp. Will the Minister clarify the position on those who, by their own volition, have opted out of trade union membership? As I understand it, several unions representing higher paid staff, for example, voted against the agreement. I support the principle of collective agreement and that the majority view should hold sway in a democratic process. However, even within the unions that voted “Yes”, there were members who voted “No”. We cannot single out people based on their membership or non-membership of a trade union. It is not as simple as whether a particular union accepted the agreement; we are talking about people. The issue is not in the sole control of trade unions because some workers are not involved in that process. It is down to the Minister, as the person responsible for overseeing public expenditure, to ensure there is an arrangement for all public servants, not just those who happen to be in or out of a particular union.

Deputy Brendan Howlin: On Deputy Seamus Healy’s point, I have made clear my undertaking to honour any agreement entered into by the Government with the trade union movement and public sector workers. We will honour the Croke Park agreement, the Haddington Road agreement and the Lansdowne Road agreement in full. Nobody will be excluded. The Deputy is correct that the Haddington Road agreement runs until the summer of 2016, but he is incorrect that all some people want is to ensure the provisions of that agreement are maintained. In fact, some people want the pay restoration benefits of the Lansdowne Road agreement in 2016 also. They do not want to be excluded from it. All I am saying is that one cannot have the benefits of an agreement to which one is not party. Nobody is going to break the Haddington Road agreement, but the restoration of pay is a provision of the Lansdowne Road agreement. If people want to avail of pay restoration measures, they have to be part of the relevant agreement. It is as simple as that.

The public sector is a very diverse entity, with many sectors and sub-sectors within it pro-

viding a broad range of services for the public. We must work at some level of logic. We cannot have people in the public sector determining on an individual basis what they buy into and which arrangements they are willing to work. People cannot simply choose their working hours or the conditions they enjoy according to their own wishes. Overarching decisions are made that apply to grades in the public service and to everybody in that grade if they want to serve. That is part of their terms and conditions of employment. I do not have the exact numbers, but because in excess of two thirds of civil servants are part of trade unions, we negotiate with those unions on the basis that they have democratically determined the views of their members. When an agreement is endorsed by a union on behalf of its members, we implement it.

What we are doing today is moving out of the dark phase of pay cuts, pension cuts, additional working hours and so on and beginning the process of pay and pension restoration and an improvement in conditions for workers in the public sector. Are there public sector workers and pensioners who would like that to happen more quickly? Yes, there are. Would I like to see it being done sooner? Yes and I wish none of this was required. We have come out of the dark night of economic ruin and are moving into a brighter place. We must pick our path carefully to avoid putting the recovery in jeopardy. As I said, the fiscal space I will have available to me next year will be in the order of €750 million and I have allocated €300 million for public sector pay and pensions restoration. I have been heavily criticised for that level of allocation, but I consider it the right thing to do. I asked people in the teeth of crisis to step up to the plate and, in a way of which I am extraordinarily proud, that is exactly what they did. All the public servants involved in this process were hugely influential in helping us along the path to recovery, which is now well advanced but not complete. I hope we will be able to review this legislation in the next three years as the economic recovery continues apace.

Amendment put and declared lost.

Deputy Mary Lou McDonald: I move amendment No. 11:

In page 14, line 6, after “2013” to insert “or in a sectoral agreement”.

Amendment put and declared lost.

Bill received for final consideration.

Question proposed: “That the Bill do now pass.”

Minister for Public Expenditure and Reform (Deputy Brendan Howlin): This legislation sends an important signal to the public service generally and acknowledges the contribution workers in that sector have made to our recovery. I expect people to be pleasantly surprised by the measures contained in the Bill because I am not sure everybody has fully understood the benefit they will receive next year. As I said, I hope to be in a position to explain the changes, through my officials, to any union that has concerns about them. It is a major step towards undoing some of the imposition put upon public sector workers during the gravest of times. Whoever is in my position next year will keep this under review. It will be a welcome supplement to, and augmentation of, public service pay and pensions on 1 January. I thank the House for its support and the debate on this matter.

Deputy Mary Lou McDonald: On the positive side of the ledger, it should be acknowledged there is a level of pay relief for low and middle-income public and civil servants. While modest, it is welcome. As I said earlier, it is not going to lead to a life of luxury or excess for

any of those individuals concerned. When faced with that proposition, I understand why individual workers and their unions backed the agreement, particularly after many years of cut-backs. It is welcome that there is some relief for those workers.

However, what is depressing, although not entirely unexpected, is that many of the reflexes of the system and of the Minister kick in again. I debated with him the equity argument of a full restoration of higher portions of income versus partial restoration for lower portions of income. That says to me that we have not made any progress over the past several years in the many debates we have had on this. The reflex also kicked in for former Ministers, taoisigh and tánaistí and so on, who are over-pensioned. Never mind emergency legislation, that matter should have been addressed a long time ago. The fact they too will have restored to them what they regard as their entitlement, and what I regard as an obscenity, is truly depressing.

Also on the negative side, is the feeling, if not yet the certainty, among certain groups of workers who rejected the Lansdowne Road agreement, that they will be singled out for special and negative attention. We will see if that comes to pass. Of course, ironically through the financial emergency measures in the public interest legislation and its unwinding, the manner in which collective bargaining and industrial relations are reached in the public sector has changed utterly and not for the better.

I disagree with the Minister's assertion that people have not figured out what this will mean in their take-home pay and their income level. I think that matter has been very quickly calculated and well understood within the Civil Service and the public service. What will be newsworthy to many people is that, despite all the rhetoric and initial posturing around an exclusive concern for those on €65,000 and under, this legislation sets out, black on white, full pay restoration for those higher portions of income, particularly for those over €110,000.

Deputy Brendan Howlin: The Deputy knows that is not true.

Deputy Mary Lou McDonald: No. Income over €110,000 in three stages will be fully restored. That is what the law states.

Deputy Brendan Howlin: Only the third cut. The Deputy is allergic to facts.

Deputy Mary Lou McDonald: That will come as a surprise to many.

Deputy Sean Fleming: I support the legislation, primarily because it will allow for the Lansdowne Road agreement, which was freely entered into by the trade union movement representing its members and the Government as their employers. It was put to a democratic vote and the majority voted for it. I believe in the democratic principle that it should carry. Notwithstanding that, I do not ever remember a social partnership agreement which had 100% support. There was always a handful against it; sometimes, craft unions while other times, higher paid unions. Social solidarity applies in the workforce and when the majority agrees on agreement, it is accepted. In the old days, it was done in the yard or in the canteen with a show of hands. Now, it is done through secret ballot. My party has always supported social partnership. When the financial emergency commenced several years ago, measures had to be taken unilaterally by the then Government. The Croke Park agreement was to stabilise the situation after those unilateral actions.

This is the sixth in the series of FEMPI Bills. We had pay cuts originally, culminating with a third round contained in the Haddington Road agreement. This legislation unwinds the third

cut, not the previous two wage cuts. I support the trade union movement when it makes the democratic decision to accept and approve the Lansdowne Road agreement. I am disappointed that some members chose not to accept the Lansdowne Road agreement and, instead, wanted to cherry-pick this legislation to exclude certain people from an agreement accepted by the majority of public sector workers.

In the past, when the Minister for Jobs, Enterprise and Innovation, Deputy Bruton, was a Fine Gael spokesperson, he always gave out that the big deals in social partnership were done outside the House without any legislation or debate. Maybe those agreements did not require legislation but his complaint was the axis of power on those issues was not in the Chamber. Now, the least the trade unions can expect from the Oireachtas is that when they have entered into an agreement that it would not be unravelled, particularly where some Members think it would be popular to do so. It was a long and tortuous process to get all the voting on this agreement to be completed. If we start cherry-picking the agreement, we will ultimately end up undoing it. I oppose that type of cherry-picking.

Deputy Seamus Healy: I have serious concerns with this legislation. I believe it to be unconstitutional on the question of the extension of the financial emergency for a further three years. It has constitutional difficulties with the non-restoration of pensions and the withholding of €95 million of pension entitlements, which are effectively the property of individuals. I am satisfied some of the sections are anti-trade union, attempting to force trade unions and their members into an agreement of which they do not want to be part. All they want is to be able to abide by the existing agreements into which they have entered. These sections also propose to punish those unions and trade unionists on this. I have serious concerns about this Bill.

Question put:

<i>The Dáil divided: Tá, 109; Níl, 16.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Adams, Gerry.</i>	<i>Boyd Barrett, Richard.</i>
<i>Aylward, Bobby.</i>	<i>Broughan, Thomas P.</i>
<i>Barry, Tom.</i>	<i>Collins, Joan.</i>
<i>Breen, Pat.</i>	<i>Coppinger, Ruth.</i>
<i>Bruton, Richard.</i>	<i>Daly, Clare.</i>
<i>Burton, Joan.</i>	<i>Fitzmaurice, Michael.</i>
<i>Buttimer, Jerry.</i>	<i>Fleming, Tom.</i>
<i>Byrne, Catherine.</i>	<i>Halligan, John.</i>
<i>Byrne, Eric.</i>	<i>Healy, Seamus.</i>
<i>Calleary, Dara.</i>	<i>Higgins, Joe.</i>
<i>Cannon, Ciarán.</i>	<i>Mathews, Peter.</i>
<i>Carey, Joe.</i>	<i>McGrath, Finian.</i>
<i>Coffey, Paudie.</i>	<i>O'Sullivan, Maureen.</i>
<i>Collins, Áine.</i>	<i>Pringle, Thomas.</i>
<i>Collins, Niall.</i>	<i>Ross, Shane.</i>
<i>Colreavy, Michael.</i>	<i>Wallace, Mick.</i>
<i>Conaghan, Michael.</i>	
<i>Conlan, Seán.</i>	

<i>Connaughton, Paul J.</i>	
<i>Conway, Ciara.</i>	
<i>Coonan, Noel.</i>	
<i>Corcoran Kennedy, Marcella.</i>	
<i>Costello, Joe.</i>	
<i>Cowen, Barry.</i>	
<i>Creed, Michael.</i>	
<i>Daly, Jim.</i>	
<i>Deasy, John.</i>	
<i>Deering, Pat.</i>	
<i>Doherty, Pearse.</i>	
<i>Doherty, Regina.</i>	
<i>Donohoe, Paschal.</i>	
<i>Dowds, Robert.</i>	
<i>Doyle, Andrew.</i>	
<i>Durkan, Bernard J.</i>	
<i>Farrell, Alan.</i>	
<i>Feighan, Frank.</i>	
<i>Ferris, Martin.</i>	
<i>Fleming, Sean.</i>	
<i>Grealish, Noel.</i>	
<i>Griffin, Brendan.</i>	
<i>Harrington, Noel.</i>	
<i>Harris, Simon.</i>	
<i>Hayes, Tom.</i>	
<i>Healy-Rae, Michael.</i>	
<i>Heydon, Martin.</i>	
<i>Howlin, Brendan.</i>	
<i>Humphreys, Heather.</i>	
<i>Humphreys, Kevin.</i>	
<i>Keating, Derek.</i>	
<i>Kehoe, Paul.</i>	
<i>Kelleher, Billy.</i>	
<i>Kelly, Alan.</i>	
<i>Kenny, Enda.</i>	
<i>Kenny, Seán.</i>	
<i>Kirk, Seamus.</i>	
<i>Kitt, Michael P.</i>	
<i>Kyne, Seán.</i>	
<i>Lawlor, Anthony.</i>	
<i>Lynch, Ciarán.</i>	
<i>Lyons, John.</i>	
<i>Mac Lochlainn, Pádraig.</i>	

<i>McCarthy, Michael.</i>	
<i>McConalogue, Charlie.</i>	
<i>McDonald, Mary Lou.</i>	
<i>McEntee, Helen.</i>	
<i>McFadden, Gabrielle.</i>	
<i>McGinley, Dinny.</i>	
<i>McGrath, Michael.</i>	
<i>McLellan, Sandra.</i>	
<i>McLoughlin, Tony.</i>	
<i>McNamara, Michael.</i>	
<i>Mulherin, Michelle.</i>	
<i>Murphy, Catherine.</i>	
<i>Murphy, Eoghan.</i>	
<i>Nash, Gerald.</i>	
<i>Naughten, Denis.</i>	
<i>Neville, Dan.</i>	
<i>Nolan, Derek.</i>	
<i>Noonan, Michael.</i>	
<i>Ó Caoláin, Caoimhghín.</i>	
<i>Ó Cuív, Éamon.</i>	
<i>Ó Fearghail, Seán.</i>	
<i>Ó Ríordáin, Aodhán.</i>	
<i>Ó Snodaigh, Aengus.</i>	
<i>O'Brien, Jonathan.</i>	
<i>O'Dea, Willie.</i>	
<i>O'Donnell, Kieran.</i>	
<i>O'Donovan, Patrick.</i>	
<i>O'Dowd, Fergus.</i>	
<i>O'Mahony, John.</i>	
<i>O'Reilly, Joe.</i>	
<i>O'Sullivan, Jan.</i>	
<i>Perry, John.</i>	
<i>Phelan, Ann.</i>	
<i>Phelan, John Paul.</i>	
<i>Rabbitte, Pat.</i>	
<i>Reilly, James.</i>	
<i>Ring, Michael.</i>	
<i>Ryan, Brendan.</i>	
<i>Sherlock, Sean.</i>	
<i>Shortall, Róisín.</i>	
<i>Smith, Brendan.</i>	
<i>Spring, Arthur.</i>	
<i>Stagg, Emmet.</i>	

<i>Stanley, Brian.</i>	
<i>Tóibín, Peadar.</i>	
<i>Tuffy, Joanna.</i>	
<i>Twomey, Liam.</i>	
<i>Wall, Jack.</i>	

Tellers: Tá, Deputies Paul Kehoe and Emmet Stagg; Níl, Deputies Seamus Healy and Clare Daly.

Question declared carried.

Message from Seanad

An Ceann Comhairle: Seanad Éireann has passed the Finance (Miscellaneous Provisions) Bill 2015 without amendment.

Electoral (Amendment) (No. 2) Bill 2015: Order for Report Stage

Minister of State at the Department of the Environment, Community and Local Government (Deputy Ann Phelan): I move: “That Report Stage be taken now.”

Question put and agreed to.

Electoral (Amendment) (No. 2) Bill 2015: Report and Final Stages

Deputy Brian Stanley: I move amendment No. 1:

In page 6, between lines 14 and 15, to insert the following:

“(c) A citizen over 18 applying to be included on the supplementary register may supply photocopies of photographic ID such as a drivers licence, passport or Department of Social Protection card, as proof of identity, rather than having to have a form signed by a member of An Garda Síochána.”.

This amendment seeks to simplify the method of getting onto the register of electors and have a measure of consistency. One can fill in a form and include one’s date of birth, telephone number, nationality and other details and that is accepted by a local authority as proof of the fact that one is eligible to be included in the register of electors. The problem arises with the supplementary register. In the recent referendum a large number of young people were included in the supplementary register; in excess of 60,000 became eligible to vote by way of the register. The amendment seeks to streamline the electoral process, without compromising its integrity.

At present, one can go to a Garda station to have the form signed. However, many Garda stations have been closed in the past 15 years. In coastal counties and various other parts of the country it could be a long distance to the local Garda station. In addition, apart from what is called the green man on the wall, the box into which one speaks, the local Garda station is not open. Many stations are only open for an hour or two a day or a couple of days each week. This creates a difficulty in getting onto the register of electors for those who are working, as they cannot attend their local Garda station to have the form signed. It is a real problem and people across the political spectrum are complaining about it.

We are proposing that a citizen over 18 years of age applying to be included in the supplementary register supply photocopies of photographic identity such as a driver's licence, passport or a Department of Social Protection card that includes a photograph as proof of identity rather than being obliged to have a form signed by a member of An Garda Síochána.

6 o'clock

That is a very simple process to set up, if we want to do it, and we believe it can be done.

We are anxious to stamp out any electoral fraud or any attempt by people who should not be on the register to be on it, or to be on it more than once. I have spoken here many times on the need to improve the register of electors by ensuring that as many eligible voters as possible are on it. This amendment seeks to aid this process. The recent referendum showed that young people are anxious to vote if there is a topic that excites and interests them, and we must make it easier for them.

We have a very unusual way of registering people to vote in that there are certain periods of the year when they can and cannot join the register. After 25 November, people will not be able to get on the register of electors because the corrections and amendments process will be closed. Therefore, it is a fairly restricted process. As it stands, a person can fill out the corrections and amendments form up to 25 November without supplying any photographic evidence or evidence of identity. We need to be consistent. When the supplementary register period arrives, all of a sudden, we change the rules and we make people jump this hurdle. Our party is anxious that there be consistency, so we need to look more seriously at the issue of proof of identity.

In the case of the supplementary register, the upcoming general election gives us the opportunity to get it right. Young people are interested in voting and those who are not on the register may decide they need to get onto it. We all know the electoral register is a mess. There are now fewer councillors, rent collectors and rates collectors. They were a great source of information for the local authorities in regard to who was living at what address and for taking people off the register who were on it more than once. This is an opportunity to simplify the process.

We put forward the amendment sincerely to try to aid the process and to allow the opportunity to those who are entitled the vote and who should be on the register to get onto it through the supplementary register. To go to a Garda station is fine if there is one around the corner and it is open 24-7. However, a person would travel a long way in a county like Laois, Kildare or Offaly, or the Minister of State's county, to find a Garda station open 24-7. It is very difficult for people who are working to get that window of opportunity within that restricted time. What we are trying to do is to rule out any opportunity for anybody to do this in a fraudulent way. It is a way of validating the process and making sure the electoral register is more up to date.

Deputy Aengus Ó Snodaigh: There is a logic to this amendment and to the idea of major changes to the electoral register, which have been debated not only in the House but at the Constitutional Convention and other places. This is a simple change that will allow people to register with ease right up to the current cut-off date. After that, it would be the responsibility of anybody on the supplementary register to show identification when presenting for a vote. That would be different to anybody who goes through the other process of just being on the register in the normal sense, in that they may be asked. This would allow people to get on the register in the first place.

The recent referendum showed the number of people who are not on the register, given that 60,000 people registered for the supplementary register in a very short period in order to be allowed to vote. It is scary that 60,000 people were not on the register and had not engaged somehow or other, or had not thought it that important to be on the register. It suggests how inaccurate our electoral register is in comparison to other countries where there is automatic registration once the person reaches 18, or countries where people can be fined or taxed if they do not vote. While we are not looking to go to that extreme, we are trying to ensure it is easier for people to get on the register.

Deputy Stanley referred to Garda stations. In my own area there are quite a number of Garda stations, so that would not be the problem. However, there are many people who do not want to be in a Garda station and, in fact, the last place they want to be is in a Garda station, so they are not going to go out of their way to go there. However, even in cases where they do attend at, say, the Garda stations at Pearse Street or Kilmainham, they could be half an hour waiting for a garda to present at the public desk to stamp any form, never mind a supplementary electoral register form.

There is an argument that we need to look at a more modern approach to a rolling register rather than applying the cut-off date that has been in place because of the huge burden on local authorities in the past as a result of the paper-based system. Years ago, before the advent of the computer, the local authority deadlines were November and February, but in this day and age it is a joke that we still have the same deadlines even though the system is computerised. This needs to be looked at with a view to getting rid of that system and allowing for a rolling register, where everybody registers in the same way until the set date, whether that is two or three weeks before the election, or a week after the election is called.

Nowadays we also have forms of photographic identification which were not available when, as Minister, Deputy Ruairí Quinn introduced this restriction on the supplementary register. I am old enough, or I was young enough, to remember Deputy Quinn bringing in the change which restricted how people got onto the supplementary register, so it is quite a new change. In this era, however, the vast majority of the population would have access to one of the forms of identification which are required, for example, a passport or driving licence, both of which have photographic identifiers, or the Department of Social Protection card, which now has a scanned photograph. As far as I know, by the end of this year or during next year, the vast majority of people will have photographic identification from the Department of Social Protection, whether they are claiming a social welfare payment or not. There is also student identification and the Garda national youth identification card.

There is a huge amount that can be done in this day and age. We have seen the whole discussion about everyone being able to register for the property tax, the water conservation grant, SUSI grants and housing applications. A lot can be done so why can we not bring the electoral

register up to date in terms of the way it is inputted? This is one system that needs to be reformed, and the amendment is a simple one that addresses the difficulties some people have in getting on the register. For example, people move address and forget to register, and then, all of a sudden, the election is called and they realise they have forgotten to do it. Some people in our society could not be bothered and they will not go out of their way to register, whereas, if there is a form in front of them, they will sign it and send it in the post, as has been the case in the past. However, if they are asked to take the trouble to attend a Garda station, they will not do that.

In fairness to An Garda Síochána, in my own area they have sometimes facilitated people by having a garda go into community centres to stamp forms. I would encourage this and would suggest that, with an election forthcoming, the Garda and the local authorities would work together to try to ensure we register those people who, for some reason or another, have forgotten or could not put the extra burden on themselves to go to a Garda station. Given the huge decrease in the number of Garda stations around the country now, it can be difficult for people who do not have their own transport to get to them. I know I am asking gardaí to do another job they should not have to do in asking them to be present to ensure there is no electoral fraud.

In regard to the register, I know from invigilators who travel around to ensure the register is accurate that the number of invigilators in Dublin has dropped substantially and that they have not been replaced in recent years. We used to have 15 invigilators for the city and they covered the whole city and got to every address every year. Now we only have nine, and they only get to cover three or four postal districts each year. This suggests the electoral register in the city is inaccurate. If that is true of this city, I cannot say what the situation is in other local authority areas responsible for ensuring their registers are accurate. As I said earlier, this is a debate we need to have on a larger scale. I believe Deputy Stanley's proposal is reasonable.

Minister of State at the Department of the Environment, Community and Local Government (Deputy Ann Phelan): Despite the best efforts of many, including local authorities, who are the registration authorities, and ourselves as public representatives, many people do not think of checking or updating their registration details at the time of the annual renewal of the electoral register. I know the issue of the electoral register arises at council meetings and gives rise to significant debate.

Sometimes people only think of registering when an election or referendum is called. The law provides for this by way of the supplement to the register of electors. In the majority of cases, people make application for entry in the supplement in the few weeks after the polling day order is made. For the referendums in May 2015, there were over 60,000 applications for entry to the supplement to the register. We need therefore to have adequate checks in place to prevent potential abuses.

I acknowledge that the situation can arise that for one reason or another a person may not be in a position to have his or her application for entry in the supplement to the register of electors signed by a member of An Garda Síochána. However, as I said last week, there is already provision in the Electoral Act 1992 to address this situation. Where an applicant establishes in writing that he or she is unable to have his or her application signed by a garda, the form can be signed by the applicant in the presence of an official of the registration authority. The official must be satisfied as to the applicant's identity and photographic or other identification may be required for this. It can also be the case that due to physical illness or disability, a person cannot have his or her form signed by a garda or is not in a position to sign the application in the presence of an official of the registration authority. In such a case, the law provides that the

supplement application must be accompanied by a medical certificate. I consider that these arrangements strike a reasonable balance between facilitating voter registration and ensuring there are adequate measures in place to counteract any possible abuse.

Supplementary applications are usually made in a short time period, after an election or referendum is called. Registration authorities and people more generally are not in a position to check these applications in the same way as they can at the annual renewal of the register. The verification arrangements for supplement applicants serve to assist registration authorities in processing applications for entry in the supplement to the register of electors. The Government does not accept that these checks should or could be weakened and therefore opposes the amendment.

Deputy Brian Stanley: The Minister of State mentioned stamping out abuse and we all want that. In the past, I have highlighted suggestions that would help matters. Deputy Ó Snodaigh mentioned the need for a rolling register. We could look North to see how it operates there. They may not have a perfect system, but they certainly have a better system in that there is a rolling register. In terms of trying to get onto the register there, the system is the same at all times of the year.

The key issue here is the need to ensure that the applicant to the register resides in the constituency, is eligible to be included on the register of electors and to stamp out abuse. This amendment is an attempt to make a small change that could make a significant difference. The Minister of State will know from campaigning in local government and Dáil elections over the years that there is a huge problem in regard to the supplement. First there is the short time frame, but there is also the problem of the need to sign the form at the Garda station. This can be very difficult for people in rural areas or because of people's work schedules.

The Minister of State mentioned that condition may be waived by way of validating an application in writing. It is difficult for people to do that as people are not facilitated to do so through the use of community centres throughout the country for registration purposes as suggested by Deputy Ó Snodaigh for Dublin. That would be one step in the right direction. I am disappointed the Government does not intend to accept the amendment as it was made in a positive spirit and would copperfasten the system and ensure the electoral register was not abused by way of late entries to the supplement.

Deputy Jonathan O'Brien: I do not understand the rationale for opposing the amendment. In the Minister of State's contribution, she said we must have safeguards in place to ensure the electoral register is accurate and that no fraud is committed by individuals making applications to the supplementary register. However, we do not have any of these safeguards in place for people applying to be entered on the regular register before the cut-off deadline, which is 25 November this year. Applicants are not required to go to a Garda station and can just submit their form. No photographic identification is required. The form is posted to the local authority and the applicant goes on the register. However, if somebody wants to go onto the supplementary register, he or she must go to a Garda station or, if they cannot do that, get written confirmation they cannot attend the station. Failing that, they must submit a medical certificate.

This does not add up. There is more scope for fraud in regard to the current registration system than in regard to the supplementary register. All Deputy Stanley's amendment seeks to do is to make the process simpler. The bar he sets in his amendment is higher than the bar for the normal register. He proposes people should be able to attend a local authority with photograph-

ic identification and be added to the register. Up to 25 November, that is not even necessary.

Deputy Aengus Ó Snodaigh: Abuse has been mentioned, but there are many examples around Europe and elsewhere of systems that do not have the restrictions our system has but that have tight safeguards to ensure abuse does not happen. Some systems are based on national ID cards or PPS numbers or the equivalent, yet they allow a greater use of postal votes. We have one of the most restrictive systems in the world in regard to postal votes.

The Minister of State also suggested that applicants to the register could access an official from the electoral office or local authority. The same problem pertains in that regard as pertains to attendance at a Garda station in rural areas, because not every council has offices dotted around the constituency. Town councils have been closed in this city and some of the local authority offices are closing because Dublin City Council has rolled back on centralising services once again. The reasonable balance in this amendment, which is not something new - we have argued this on a number of occasions - is that anybody who presents for a supplementary vote will register in the normal way but when they present for a vote they will be asked for a photographic ID. The ID is already determined for road traffic purposes. There is certain ID that is acceptable for the driver licence test or the driver theory test which does not include the Garda national ID system. The bar concerning ID must be set and that is what has to be presented at the desk when one looks to vote if it is from the supplementary register.

Deputy Ann Phelan: There is time between 25 November and February when the register comes into force for applications for the register to be checked and verified. In respect of the supplementary register, the Electoral Act 1992 provides that where a person cannot have their form signed by a Garda they can sign it in the presence of an official of the registration authority if they provide the necessary identification. The provision is in place. Perhaps it may be open to local authorities to do at a local level what they deem necessary. The Government is not accepting this amendment.

Amendment put and declared lost.

Deputy Éamon Ó Cuív: I move amendment No. 2:

In page 6, after line 44, to insert the following:

“Amendment of Electoral Act 1992, Referendum Act 1994 and Presidential Elections Act 1993 in order to change island voting and to provide for related matters

4. (1) Section 85 of Part 15 of the Electoral Act 1992 is hereby repealed.

(2) Section 42 of the Presidential Elections Act 1993 is hereby amended by the substitution of “section 86” for sections 85 and 86”.

(3) Section 30 of the Referendum Act 1994 is hereby amended by the substitution of “section 86” for “sections 85 and 86”.

(4) (a) The Minister may make regulations for the general purpose of this section and may, by regulation, provide for any matter referred to in this Act or to be prescribed.

(b) Every regulation under this section shall be laid before each House of the Oireachtas as soon as may be after it is made and, if a resolution

annulling the regulation is passed by either such House within the next 21 days on which that House has sat after the regulation is laid before it, the regulation shall be annulled accordingly but without prejudice to the validity of anything previously done under the regulation.

(c) Regulations under this section may contain such incidental, supplementary and consequential provisions as appear to the Minister to be

necessary or expedient for the purposes of the regulations.”.

Molaim an leasú seo. Bhí plé fada againn ar an gceist seo sa choiste an lá faoi dheireadh. Níl na hargóintí athruithe ó shin. Tá sé éagórach nach mbíonn an vótáil ar na hoileáin ar an lá céanna leis an mórthír. Níl aon mhíniú tugtha ag aon duine cén fáth gur féidir toghchán i ndiaidh thoghcháin a dhéanamh thíos i gCorcaigh ach nach féidir é a dhéanamh i nGaillimh, Maigh Eo nó Tír Chonaill. Níl na hoileánaigh sásta faoi seo. Tá siad ag iarraidh go mbeidh na cearta céanna acu siúd agus iad ag vótáil agus atá ag daoine ar an mórthír. Mar sin, tá mé ag brú an leasaithe seo agus ag súil, fiú ag an nóiméad deiridh seo, go mbeidh dea-scéal ag an Aire tráthnóna dom agus go ndéarfadh sí go bhfuil i gceist glacadh leis an leasú seo. Seo leasú atá thar a bheith réasúnach agus atá bunaithe ar an saol mar atá sé faoi láthair agus ní ar an saol mar a bhí sé fadó.

Deputy Ann Phelan: We discussed this amendment at length on Committee Stage. Deputy Éamon Ó Cuív said he would table it again on Report Stage. I understand the issue is of keen interest to the Deputy for many years. I said on Committee Stage that I appreciate his interest in facilitating voting by our island communities. The key objective is to ensure that ballot boxes from island polling stations are at the count centre at 9 a.m. on the day of the count. It is not desirable that the count for any constituency should be delayed because all the ballot boxes are not at the count centre. The provisions of the Electoral Acts are in place to cater for this. I agree with the Deputy, as I did on Committee Stage, that cancellations of island ferry services are few and far between but the fact is and does remain that they do happen and we need to provide for such situations.

The returning officer in the constituency is best placed to decide on whether the poll should be taken on an island on an earlier date. It would not, therefore, make sense to repeal section 85 of the Electoral Act 1992. Again, the Government is opposing this amendment.

Deputy Éamon Ó Cuív: I am still intrigued. There are four counties involved. In respect of the counties involved the number of days on which the ferries do not sail are very few and far between, especially if we omit the months of December and January when it is unlikely that any election will be held. Even if an election was called in January it is likely to be held in February.

It is amazing that there is no problem with doing this every time in Cork and that the Cork returning officer does not consider there is any risk to the boxes not being at the count centre on time. Invariably he does it on the same day. An island such as oileán Cléire would not have the same level of services as the Aran islands. It would not have anything like the services Arranmore island in Donegal has which is an inshore island right beside the coast. Will the Minister of State explain why it is that Arranmore, for example, would fail to get the boxes to the count centre on time rather than, say, places in County Wicklow because of snow? Why is it that those people have to vote two days earlier, thus missing out on the end of the campaign given that in Cork it can always be done on the same day and it has never failed those concerned to get the

count done expeditiously.

Evidence shows there is no justification for the decisions being taken. It is inconceivable that one has to wait two days for boxes to come in. That is the situation in Mayo and Donegal without any difference between the islands, which is also extraordinary. No account is taken of the difference between inshore islands or outshore islands and nobody bothers to look at the record of non-sailings and so on and, therefore, there is no validity to the case. As I have said, one of the returning officers, or maybe different people over a long period, invariably makes the sensible decision that times have moved on and that this is a spurious provision that is not needed. Two of the returning officers think it takes two days to get in and out of the island and one thinks it takes an extra day. There is no logic to that because if one looks at failed sailings, which is not the only way of bringing in boxes from the island, one will find there is no rationale in the way these decisions are being made. I am very disappointed at the position being taken by the Government on this matter. It does not seem to have examined it analytically and rationally and that it has simply dug in its heels and said it is not going there.

I regret I was Minister for the Environment, Community and Local Government for only five weeks. During most of that period there was an election under way and I could not bring in the legislation to have this matter rectified. In ten or 20 years' time people would wonder what that provision had been all about when piers, boats, etc., had all changed radically and there were aeroplanes on the island.

I ask the Minister of State to reconsider her decision. If she cannot do so this evening I suggest she reconsider it when it goes to the Seanad after which it will come back to this House. She can give the democratic rights which are being denied to the islanders. Basically, this is a denial of democratic rights to people in our society.

Deputy Pearse Doherty: I wish to voice my support and that of my party for this amendment. I will take up where Deputy Ó Cuív left off. This does not just undermine the democratic rights of islanders. What has happened for many years is unconstitutional. This is not the first time I have said this in this House. Will the Minister of State liaise with the Attorney General to see if the practices taking place on a number of islands in the past number of elections are constitutional? I will spell out what is unconstitutional about what is happening. Under the current system, which allows returning officers to designate polling days on off-shore islands, we have the postal vote, which was discussed in respect of the previous amendment by my colleagues. The window for applying for a postal vote ceases a number of days after the order designating the polling day across the State. Many of the island communities do not know for a number of days when the actual election will take place on their islands. Therefore, they are not in a position to fill in an application form and say that on Thursday, 23 May or Friday, 14 January, they will be working away from home and are, therefore, entitled to a postal vote because they could be home on Thursday but they may not be at home on Friday because their work takes them elsewhere. A student would not know if the polling day was on Saturday instead of Thursday when they would not be able to vote on the island because they would be in college, so they are unable to apply for the postal vote.

The problem here is the lag in terms of designating the day and how that conflicts with allowing people to exercise one of the most precious and cherished rights that people have in this country, namely, the right to vote. I have said before that this Government is leaving itself wide open to a legal challenge relating to islanders who have not had the polling date designated by the returning officer in time to allow them to comply with the postal vote rules in legislation.

Outside of that, this is an antiquated system that has no place in a modern democracy. We are not talking about the Antarctic. We are talking about islands off our coast. When people on the islands become seriously ill, we have mechanisms to airlift them off the islands. We are not going around in currachs anymore, trying to bring the ballot boxes to and from our islands. This is 2015. This is about making sure that everybody has the right to cast their vote after a proper and thorough debate.

I draw the Minister of State's attention to another important election that took place in recent times in this State, namely, the presidential election. As a Chamber that holds the values of democracy and democratic debate very dear, we must look back at that debate. We all acknowledge that there was a turning point in that debate for many of our citizens after the live television debate and yet the islanders had already voted. They had already cast their votes before that debate took place. Therefore, despite the fact the debate was still in full swing and there was a pivotal moment after the islanders voted, they had no option to amend their vote. They are being treated as second-class citizens when it comes to casting their vote, which they will have cast before the debate is complete. There are many other examples, including *litir um thoghchán* where many of the islanders will tell one time and time again that they receive those after they have cast their vote because candidates, political parties and An Post schedule them right throughout the debate up to polling day. For many of those people, polling day has happened at an earlier stage.

This is out of date and should have been got rid of a long time ago but as we approach the centenary of 1916, that time when those before us proclaimed the Irish Republic and the right of individuals or citizens to be involved in shaping and defining that republic, it is important that we allow our island communities to play their full role and stop treating them as second-class citizens. I do not see any valid reason in this day and age that there should be a differential in respect of polling dates on our islands compared to our mainland.

Deputy Ann Phelan: It is an opportune time to say that the postal vote window has been extended for referenda and local elections. I also agree that it is short for Dáil elections but this must be so given the tight timeframe between the calling of the election and the return of the postal ballots. It is not about trying to punish people who want to vote on the same day. We are trying to get a local solution to a local problem. This is based on severe weather conditions and gives the returning officer the flexibility in those conditions. As people can see, we had extreme weather conditions in Ireland during the past two days. This is about giving the returning officer flexibility and not about trying to punish anybody. It is about leaving them room to be able to make that call. As I said, the overriding situation is to have the ballot box for the count at 9 a.m. the following day. It is a matter of erring on the side of caution because there would probably be much argument here and in the constituencies if the ballot boxes were not there to be counted. We are erring on the side of caution and, therefore, we are not accepting the amendment.

Deputy Pearse Doherty: I have heard many arguments or counter arguments from Ministers and that is one of the weakest I have heard in a long time. Regardless of the Government's intention, the feeling among the island communities is that they are being treated as second-class citizens. Can the Minister of State respond to the points I have made, which I have made on a number of occasions here, about the postal vote and how postal votes interact with the fact that the Government allows the returning officers to set a different timeframe? The Minister of State must acknowledge that after the last election, it was nearly a week after the date of designation for polling day that the returning officers designated the date for some of the islands

because they have different returning officers. I was engaged in futile correspondence at that time, trying to get them to designate the date.

Let us put this on the record. Is the Minister of State aware that the Government is potentially facilitating an unconstitutional practice which has the end result of denying Irish citizens the right to vote in referenda and Dáil, European and local elections because the polling date is not designated in an appropriate time that allows those who want to avail, as is their right, of a postal vote through the different mechanisms that are available under statute?

Deputy Éamon Ó Cuív: Unfortunately, the Minister of State has avoided the issue in this debate, namely, that it is always possible to get whatever one needs in and out from the islands. Some 99% of the time, it is done with regular services but is the Minister of State telling me that if somebody on one of the islands had a medical emergency, for example, if a woman had a maternity emergency, they would not be able to get to her? Of course not. We know we have gone way beyond that. Therefore, the idea that it is impossible to get them in is a fallacy.

Is the Minister of State accusing the returning officer in Cork of being reckless because, as I have said, Arranmore in Deputy Pearse Doherty's constituency is far easier to get to? In the average month, summer and winter, there are over 400 sailings to Arranmore. That is seven or eight return sailings a day. The only reason there are not more is that there is no demand for more. Most people do not enjoy that kind of a bus service. The Minister of State would have to go back a long way to find a day when the ferry did not get in and out of Arranmore Island. If we are talking about that kind of oíche na gaoithe mór weather there will be no voting in most of the country if it blows that hard. If the snow came heavy enough the boxes will not come in from Wicklow. In these catastrophic situations the Minister of State will be worried about a lot more than island boats.

I believe we have a very responsible returning officer in Cork who has looked at this and has said this is not a risk. It seems, however, that this is giving discretion for uneven behaviour and the date will depend on the lottery effect of which county one happens to live in. If the Minister of State really believed what she is telling me she would have set an objective test for the returning officers which would find that voting on the same day is possible. Certainly two days ahead, as happens in Donegal, even on Arranmore for some reason and Inishbiggle, is ridiculous, as the Cork experience proves where nothing has ever been held up.

I hope the Minister of State will at least reflect further on this matter and when it goes to the Seanad bring in an amendment to deal with this issue, to ensure that the islanders vote on the same day as the rest of the country and that on the off chance of incredibly bad weather, fíor droch stoirm, she will make the resources of the State available. Does she think that we, as representatives of the islands, would live with a situation that an emergency case cannot be got off the islands any time of the day or night and in any type of weather, where a person's life is at stake, not when it is a question of a few votes being late? Emergency cases always get off. People would often be safer being on an island because they have such good services than they would be in more remote parts of the mainland, such as the place where I live.

It is a spurious argument. There is no basis to it. The Minister of State has been advised not to concede but she is the Minister of State. She is the person who has to justify to the public, as will her colleagues, how, on the one hand, they can tell us that a sick person can be taken off the island in all weathers, times and days but on the other hand, they cannot get a few boxes off an island at all times, all weathers and days. It is not logical. How anybody believes it takes

two days to get them off baffles me even more. I feel very strongly about this and I hope when there is a change of Government that we will have an opportunity to put a serious wrong to right and this issue will be dealt with, given that in the last Government we put in the infrastructure to ensure this is no longer needed as an electoral provision.

Deputy Ann Phelan: There are four separate constituencies involved, with each returning officer making the call in his or her constituency. I take the point about the postal vote window and I will speak to the returning officers about the designation of the island polling date. I advise both Deputies to engage with their returning officers and try to convince them of what they want to do.

Deputy Éamon Ó Cuív: I cannot. I know because I tried when I was a Minister.

Deputy Ann Phelan: I think the Deputy can. I am not saying any more about this. The Deputy was in government for 15 years and surely if it was such an important issue for people on the islands he could have done something about it in that time.

Deputy Éamon Ó Cuív: That is right. We did. We provided-----

Deputy Ann Phelan: I wish the Deputy good luck and perhaps when he returns as Minister for the Environment he will make the appropriate-----

Deputy Éamon Ó Cuív: I will, yes, absolutely.

Deputy Ann Phelan: Good.

Amendment put:

<i>The Dáil divided: Tá, 32; Níl, 72.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Aylward, Bobby.</i>	<i>Barry, Tom.</i>
<i>Boyd Barrett, Richard.</i>	<i>Breen, Pat.</i>
<i>Broughan, Thomas P.</i>	<i>Bruton, Richard.</i>
<i>Calleary, Dara.</i>	<i>Butler, Ray.</i>
<i>Collins, Niall.</i>	<i>Buttimer, Jerry.</i>
<i>Coppinger, Ruth.</i>	<i>Byrne, Catherine.</i>
<i>Daly, Clare.</i>	<i>Byrne, Eric.</i>
<i>Doherty, Pearse.</i>	<i>Cannon, Ciarán.</i>
<i>Ellis, Dessie.</i>	<i>Carey, Joe.</i>
<i>Ferris, Martin.</i>	<i>Collins, Áine.</i>
<i>Fitzmaurice, Michael.</i>	<i>Conaghan, Michael.</i>
<i>Fleming, Sean.</i>	<i>Conlan, Seán.</i>
<i>Fleming, Tom.</i>	<i>Connaughton, Paul J.</i>
<i>Grealish, Noel.</i>	<i>Conway, Ciara.</i>
<i>Halligan, John.</i>	<i>Coonan, Noel.</i>
<i>Healy, Seamus.</i>	<i>Corcoran Kennedy, Marcella.</i>
<i>Keaveney, Colm.</i>	<i>Costello, Joe.</i>
<i>Kelleher, Billy.</i>	<i>Creed, Michael.</i>

<i>Mac Lochlainn, Pádraig.</i>	<i>Deering, Pat.</i>
<i>McConalogue, Charlie.</i>	<i>Doherty, Regina.</i>
<i>McGrath, Finian.</i>	<i>Donohoe, Paschal.</i>
<i>McGrath, Michael.</i>	<i>Dowds, Robert.</i>
<i>Mathews, Peter.</i>	<i>Doyle, Andrew.</i>
<i>Ó Caoláin, Caoimhghín.</i>	<i>Durkan, Bernard J.</i>
<i>Ó Cuív, Éamon.</i>	<i>Feighan, Frank.</i>
<i>O'Sullivan, Maureen.</i>	<i>Griffin, Brendan.</i>
<i>Pringle, Thomas.</i>	<i>Harrington, Noel.</i>
<i>Shortall, Róisín.</i>	<i>Harris, Simon.</i>
<i>Smith, Brendan.</i>	<i>Hayes, Tom.</i>
<i>Stanley, Brian.</i>	<i>Heydon, Martin.</i>
<i>Tóibín, Peadar.</i>	<i>Humphreys, Heather.</i>
<i>Wallace, Mick.</i>	<i>Humphreys, Kevin.</i>
	<i>Keating, Derek.</i>
	<i>Kehoe, Paul.</i>
	<i>Kelly, Alan.</i>
	<i>Kenny, Seán.</i>
	<i>Kyne, Seán.</i>
	<i>Lawlor, Anthony.</i>
	<i>Lynch, Ciarán.</i>
	<i>Lynch, Kathleen.</i>
	<i>Lyons, John.</i>
	<i>McCarthy, Michael.</i>
	<i>McEntee, Helen.</i>
	<i>McFadden, Gabrielle.</i>
	<i>McGinley, Dinny.</i>
	<i>McLoughlin, Tony.</i>
	<i>McNamara, Michael.</i>
	<i>Mulherin, Michelle.</i>
	<i>Murphy, Dara.</i>
	<i>Naughten, Denis.</i>
	<i>Neville, Dan.</i>
	<i>Nolan, Derek.</i>
	<i>Noonan, Michael.</i>
	<i>Ó Ríordáin, Aodhán.</i>
	<i>O'Donnell, Kieran.</i>
	<i>O'Donovan, Patrick.</i>
	<i>O'Dowd, Fergus.</i>
	<i>O'Mahony, John.</i>
	<i>O'Reilly, Joe.</i>
	<i>Phelan, Ann.</i>
	<i>Phelan, John Paul.</i>

	<i>Rabbitte, Pat.</i>
	<i>Reilly, James.</i>
	<i>Ring, Michael.</i>
	<i>Ryan, Brendan.</i>
	<i>Sherlock, Sean.</i>
	<i>Spring, Arthur.</i>
	<i>Stagg, Emmet.</i>
	<i>Stanton, David.</i>
	<i>Tuffy, Joanna.</i>
	<i>Twomey, Liam.</i>
	<i>Wall, Jack.</i>

Tellers: Tá, Deputies Éamon Ó Cuív and Dara Calleary; Níl, Deputies Paul Kehoe and Emmet Stagg.

Amendment declared lost.

7 o'clock

Bill received for final consideration and passed.

Equality (Miscellaneous Provisions) Bill 2013 [Seanad]: Second Stage

Minister of State at the Department of Justice and Equality (Deputy Aodhán Ó Ríordáin): I move: “That the Bill be now read a Second Time.”

I wanted to share time with the Minister for Education and Skills, Deputy Jan O’Sullivan. She regrets that owing to the length of time it took to conclude the previous debate she cannot give her remarks, but she very much supports this move.

I am delighted to present this important Bill to the House today. The Bill started life in the Seanad as a Private Members’ Bill under the name of the Employment Equality (Amendment) (No. 2) Bill 2013. Deputies Lyons, Conway and Hannigan, Senator Bacik and I first drafted the Bill and I am delighted to see it reach this stage today. I acknowledge the presence in the Visitors Gallery of representatives of the INTO LGBT society who have strongly advocated a change in this area for some time.

The Government was pleased to support the Private Members’ Bill in principle, bringing forward its own amendments along the way to ensure that the Bill is constitutionally robust, as well as using the opportunity presented to propose certain other changes to equality legislation. These are mainly of a technical nature and required a retitling of the Bill to the Equality (Mis-

cellaneous Provisions) Bill 2013.

The key purpose of the Bill is to amend the existing section 37(1) of the Employment Equality Act 1998 to better protect employees against discrimination in an appropriate and balanced way, while respecting religious freedoms guaranteed in the Constitution, as interpreted by the Supreme Court.

The current section 37(1) of Employment Equality Act 1998 states:

A religious, educational or medical institution which is under the direction or control of a body established for religious purposes or whose objectives include the provision of services in an environment which promotes certain religious values shall not be taken to discriminate against a person for the purposes of this Part or Part II if—

(a) it gives more favourable treatment, on the religion ground, to an employee or a prospective employee over that person where it is reasonable to do so in order to maintain the religious ethos of the institution, or

(b) it takes action which is reasonably necessary to prevent an employee or a prospective employee from undermining the religious ethos of the institution.

The provision was previously contained in the Employment Equality Bill 1996 which was referred by the then President to the Supreme Court under Article 26 of the Constitution. While the court held that Bill to be unconstitutional on other grounds, the constitutionality of what is now section 37 was upheld as a reasonable balance between the competing constitutional rights involved.

While we can seek to find a new balance that better meets the rights of employees, the logic of the Supreme Court decision is that balance needs to be struck; it is not simply a matter of repealing or deleting section 37(1) in its entirety. This would require an amendment to the Constitution, affirmed by the people in a popular vote.

However, recognising that this was a pressing issue and that there was a chilling effect on employees in the teaching and medical professions, the programme for Government committed to amending section 37(1) to ensure that its operation leads to a fairer and more equitable balance as between the rights of freedom of religion or association, on the one hand, and the right of persons in employment, or prospective employees, to be free from discrimination and to privacy in their private lives, on the other.

A key feature of the amended Bill as passed by the Seanad is the distinction drawn between religious institutions that are entirely privately funded and those which are funded by the taxpayer. The rationale is that in the case of the second category, the Government has the right, and arguably a duty, to protect employees who are paid from public moneys from unfair treatment or discrimination in their workplace. The proposal in the Bill before us today will oblige relevant employers in religious-run schools and hospitals to show that any favourable treatment of an employee or prospective employee is limited to the religion ground and action taken against a person is objectively justified by reference to that institution's aim of protecting its religious ethos and that the means of achieving that aim are appropriate and necessary.

The proposed new subsection will provide that action taken against an employee or prospective employee on the religion ground shall not be regarded as justified unless it is rationally

and strictly related to the institution's religious ethos; a response to conduct of a person which undermines or would undermine the religious ethos of the institution, rather than being a response to that person's status under any of the other discrimination grounds, for example sexual orientation, set out in equality legislation; and proportionate to the conduct of the employee or prospective employee, having regard to alternative action the employer could take, the consequences of any action taken for the employee or prospective employee and the actual damage caused to the religious ethos of the institution. The aim is to raise the bar so that religious-run schools and hospitals will have to show real damage to their ethos, are precluded from discrimination on any of the other equality grounds, and that any action taken is reasonable and proportionate.

This amendment might seem like a minor change in our law but it will bring a huge sigh of relief to the people whom it affects. Throughout our recent marriage equality referendum campaign, I met teachers who could not talk about their private lives with their colleagues in work. This was not because their colleagues did not accept them, but because they feared the repercussions of being open about their relationship status or sexual orientation. In 2015 this is absolutely unacceptable which is why I am bringing these much-needed changes before the House today.

I am also using the opportunity afforded by the Bill to advance a number of other, mainly technical, amendments to existing equality legislation. The most significant of these is to prohibit discrimination in the letting of residential accommodation on the basis that a person is or is not in receipt of rent supplement or housing assistance payment. It will eliminate the inclusion by some landlords of references to rent supplement not being accepted in advertisements of residential rented property. This will involve an amendment to sections 2 and 6 of the Equal Status Act 2000.

The Bill also proposes to amend the definitions of indirect discrimination in the Equality Acts to follow precisely the definitions in the relevant EU directives and their evolving interpretation by the Court of Justice of the European Union. Therefore, amendments are proposed to the definitions of indirect discrimination in the Employment Equality Act 1998, the Equal Status Act 2000 and the Pensions Act 1990 to bring the letter of the legislation into line with those directives.

While the Employment Equality Act 1998 prohibits discriminatory advertisements, there is no provision to allow an aggrieved party in relation to an employment opportunity to take a case to the Workplace Relations Commission other than a referral by the Irish Human Rights and Equality Commission, IHREC. The Bill intends to remedy the deficiency by allowing the person himself or herself take a complaint, as distinct from allowing cases to be taken solely by the IHREC. That will involve amendments to sections 2, 8(5), 12 and 13 of the Employment Equality Act 1998.

While the Framework Employment Directive 2000/78/EC, which outlaws age discrimination in employment, was transposed into law by the Equality Act 2004 based on the wording in the directive, the case law of the European Court of Justice has since established that national provisions laying down retirement ages could amount to age discrimination if they cannot be justified under the specific provisions of the directive. The European Court of Justice has also held that the provision of fixed-term contracts on the basis of age constitutes age discrimination and would require justification under Article 6 of the directive. The amendments I propose in the Bill will bring domestic legislation more into line with those judgments. The amendments

required are to sections 6 and 34 of the Employment Equality Act 1998.

The State is obliged under the European Economic Area agreement and the EU-Swiss agreements to ensure that benefits in regard to admission to any course of vocational training offered by an educational or training body is extended to EU nationals and is also extended to EEA and Swiss nationals, in the absence of an explicit provision to the contrary in these agreements. In practice, the same benefits in regard to such fees and admission are afforded to EEA and Swiss nationals, but the equality legislation does not refer to Swiss and EEA nationals and needs to be amended to explicitly reference them. In this regard, amendments are required to section 12 of the Employment Equality Act 1998 and to section 7 of the Equal Status Act 2000. I look forward to engaging further with Deputies from all sides of the House on Committee Stage to ensure the Bill is passed and enacted in the shortest timeframe possible.

Deputy John Lyons: I will be fairly brief because I know other speakers wish to contribute on the Bill. Most people sometimes wonder what we do in here. What is the purpose of the legislation that we bring into this House? Earlier this evening we voted to ensure that in future budgets people in the public service will receive some of the money that was taken away during very tough times. Tonight, my colleague, the Minister of State, Deputy Aodhán Ó Ríordáin, spoke about section 37 of the employment equality legislation and what is now called the Equality (Miscellaneous Provisions) Bill 2015. As he correctly said, a number of backbenchers, including me, decided that we had to do something about the chilling effect of the legislation on people working in the health or education sectors who might be LGBT, divorced, divorced and living with somebody else, God forbid, or those who are not married who have children. It is not and never was acceptable that a person could not go to work and go into the staff room, be it in a hospital or school, and not be able to talk about where they were at the weekend, who they spent their time with at the weekend or about the person they love so much. Whether we like it or not, the law that exists, which will be changed on foot of this Bill being passed, allowed for that situation to be created for people in society.

I know from meeting with people during the recent referendum campaign, as my colleague also outlined, and from my personal life, that there are many examples of people who, in spite of the passage of the referendum on same-sex marriage, would not feel completely comfortable walking into their staff room and speaking about their private circumstances. That is such a shame in a modern society that people still feel that way. We must do something about that. I agree that the marriage referendum in itself has gone a long way towards shining a light on the fact that we are all more the same than different. The Bill, albeit short and technical in many ways, will make a significant difference to a very small cohort of people who work on behalf of the State, teaching our children and fixing us when we go into hospital in order to make us better, who feel they cannot live their life fully.

I know some people who are in that category but I was not one of those. I always felt comfortable in pushing the boat out but I know that not everybody feels that way. I was very privileged to work in a staff-room that I did not mind going into for 13 years, in particular at a very early stage, and pushing the boat out and speaking about a relationship I might have been in at the time. Thankfully, like most like-minded and decent people in society my colleagues accepted that. However, where that does not prevail in a workplace it can be very hard for somebody to make that jump. The Bill legitimises such people when they go to work by allowing them to feel that the State is watching their back, that they are entitled to be there and to be the people they are, and that nobody can prevent that under the law. That must be welcomed.

What is important about the Bill is that it does not infringe upon religious institutions. This is not a battering of religious-run institutions; it is about recognising that such institutions have rights but the people who work in them have rights that must be respected too. The Minister of State used the phrase “an appropriate balance” in his speech. I will go one step further and say that the law is about creating a proportionate balance between the two, namely, respecting the rights of the individuals who run the institutions and also those who work in them. In a nutshell, what we are doing is making society just that little bit better for some people who do not feel it is right for them now. I hope when the Bill is passed into law soon that it will take away the shadow in which some people feel they have to live currently. I hope that over time it will encourage people who work in schools and hospitals to feel proud of going to work and speaking about the man or woman they love or their forthcoming marriage and not feel it will prevent them for getting a promotion in the future or if they do not have a contract of indefinite duration, CID, and they are only temporary in the school they are in, that it will not in any way affect the possibility of them being returned to the school the following September. When the Bill is enacted the legislation will watch their back and allow them to feel like full citizens, whereas at the moment they still feel there is a little blot on their homework, so to speak, that prevents them from being treated as full citizens.

I very much appreciate the provision relating to raising the bar. If a religious-run institution such as a school or hospital feels its ethos is being undermined it must prove the case. As a man who happens to be gay, through no fault of my own, in the 13 years I worked in a secondary school, I in no way tried to undermine the religious ethos of the school. If anything, I embraced the mission statement of the school and I worked with it during my time there to ensure it was achieved. My sexuality did not interfere with the mission statement of that religious-run institution and neither does the sexuality of any teacher, nurse or doctor who works in any other religious-run institution.

The harsh reality until now is that some people feared they might not be allowed to continue in their job. I had a personal experience many years ago which frustrated me. An anonymous letter was sent to the school principal highlighting that John Lyons was gay and asking if the principal knew that. There was a little bit more in the letter but that was the gist of it. I gave all to that school. I got up early to go to school, I was going to say, unless I had a - I was going to say a hangover but I have just said it – unless I was not feeling well in the morning or I was just having a bad day. I gave it socks, and I gave it more than I was paid for, which to be fair is what most teachers do. I knew how awful the principal felt when he told me about the letter. He felt so uncomfortable because he thought that should not be happening in society but he had to let me know about the letter that had arrived. The two of us sat down in the office and he said, “John, I do not want to tell you this, but I must show you this letter that arrived in”. For a while afterwards, my support for that school, where I gave everything and more, was on the ground. I wondered why I should give so much to this place that essentially was putting me in a position whereby were I ever to apply to become principal, it might have an effect on me. This is a real-life example of how the current law affects people and this chilling effect does exist.

I know of another person who is now divorced and who works in a school. She essentially was threatened by somebody in her community, who told this person she would remind the principal she now was living with another man. This is not acceptable and these are two real-life examples from people living in this society who consider that because of decisions they have made in their lives or through no fault of their own, they are being persecuted and may be at risk of not being able to continue in their current place of work.

As a member of the Labour Party, this is one of the reasons I joined that party, not to amend section 37 but for the type of things the Labour Party tries to achieve when it is in government. The Labour Party has not been in government very often but when it is, its members always put at the forefront of what they do laws that try to make people's lives in society much better in order that in some way, they can state they are proud to grow up and grow old in that society. As for the Labour Party's mark on this society over the past four and a half years, when it comes to social change we have done as much as we can and I am proud of the things the party has done. I am delighted that Members are finally getting to amend section 37 to ensure the lives of another cohort of people who live in this society will be a little bit better. This does not cost anything but will mean a lot for those people.

I strongly agree with another provision and I commend the Minister of State on its inclusion, namely, the issue of rent supplement. Since my election and earlier, I have seen the sickening scenario on a daily basis in which landlords have refused without giving a reason to accept tenants in receipt of rent supplement. These are good, decent people who have approached me, having been refused because they are in receipt of rent supplement. On all websites such as *Daft.ie* that advertise homes, I note that at this stage, pretty much every house and apartment has a line under the advertising details stating rent supplement is not acceptable. To me, these are good, decent people who are acceptable in society and who, through no fault of their own, had no place to which to go except to the private rented sector. In most cases, landlords are decent people but to be fair to those who have a right to have somewhere to live, I am glad the Minister of State is making a statement in this regard to make sure the day no longer can exist whereby somebody in need of a place to live and who only has the financial support of rent supplement to pay the rent can be barred from trying to find accommodation. I look forward to working with people in that position to ensure landlords take on such people because like anyone else, they are good, decent people who happen to find themselves, through no fault of their own, in rented accommodation. It is not acceptable for any landlords to refuse somebody because he or she is in receipt of rent supplement.

I commend this Bill, of which I am very supportive. Most importantly, however, I am delighted for those who may walk that tiny bit taller when the Bill is passed.

An Leas-Cheann Comhairle: Seven minutes remain in this slot before we move on to Private Members' business and I understand the Labour Party Members are sharing time.

Deputy Ciara Conway: I am delighted to be able to speak on Second Stage of what is now known as the Equality (Miscellaneous Provisions) Bill. On thinking about what makes us human, it is when we talk about personal stories, that is, the things that happen outside of work and at the weekends. These are the things that fill the days of workers in staff rooms, break rooms and canteens nationwide. The thought that because of one's sexuality, because one's marriage had ended or because one had a child while unmarried, one might not feel comfortable in one's ability to talk about what is the monotony of life with one's colleagues for fear that one might put one's job or one's career prospects at risk is, in 2015, something that is a relic of the past. This is why I am so delighted this Bill has been brought before the House. It is worth noting the former Minister, Deputy Quinn, and the current Minister for Education and Skills, Deputy Jan O'Sullivan, have been embarrassed in recent years to attend teacher conferences and to tell delegates they were sorry but this legislation still had not been passed. One must ask why this is the case and why there has been resistance to the amendments in this legislation. Although technical in nature, this Bill will be highly practical in its application and will make a real difference for real people.

There is a story with which I am familiar and about which the Minister, Deputy Jan O'Sullivan, intended to speak this evening. The lesbian, gay, bisexual and transgender, LGBT, section of the Irish National Teachers Organisation, INTO, to which reference has been made, has been working on this issue for many years. I understand President Higgins invited it to *Áras an Uachtaráin*, in a very proud moment, to acknowledge its work. However, to our shame, some of those teachers did not feel sufficiently comfortable to pose for a photograph with President Higgins for fear of retribution on their return to the staff-room the following Monday. This is outrageous and I am embarrassed this was how they felt. I am delighted this no longer will be the case when this legislation passes through the *Dáil*.

I often think about what it is to be in a relationship and about the kinds of things one does, often to the mortification of one's children, such as holding hands while walking down the street. However, for some people it is a political statement to hold the hand of their loved ones while walking down the street. It is outrageous that any teacher, nurse, doctor, social worker, care assistant, porter, secretary or whomsoever works in a hospital or a school should feel he or she cannot hold the hand of his or her loved one while walking down the street for fear of retribution. It is in respect of such things, which most of us take for granted, that this legislation will have a practical and real impact on people's lives. It also is worth thinking about what has happened under the aegis of the former Minister, Deputy Quinn, and the present Minister, Deputy Jan O'Sullivan, in respect of the anti-bullying stance that has been taken for the first time. It is to make sure the tackling of homophobic and transphobic bullying is compulsory in all schools, because bullying on account of people's sexuality or because of how they are is too often allowed to fester. All Members know about getting in early when trying to tackle and change behaviour or attitudes, that is, when people are young and in school. Regardless of religious ethos, it now is compulsory for all schools to make sure that homophobic and transphobic bullying are tackled. This is an issue about which people have spoken for years but on which the present Government has delivered.

To echo the sentiments expressed by my colleague, Deputy Lyons, these changes are important because often the charge is levied upon Members of this House that society has moved on while the people here have not. I note this Bill was published almost three years ago and I would have very much liked to have had this Bill passed many years ago. It has been frustrating that it has taken until now to do it. That said, this will make a real difference to many people's lives and I hope there will be another reason for the aforementioned INTO members to be invited to *Áras an Uachtaráin*, where they will feel capable of stepping into a photograph with the President and for it to be shared across social media as a proud moment, as it would be for any member of society.

I will conclude by referring to another story, in which I understand that Newstalk, a national radio station, ran a competition to win a free wedding. Who would not want that prize, as they are costly matters? I understand the two women who won the competition could not publicly accept it because one of them was a teacher. This legislation will mean real changes for real people's lives.

Debate adjourned.

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Message from Select Committee

An Leas-Cheann Comhairle: The Select Sub-Committee on Finance has completed its consideration of the Finance Bill 2015 and has made amendments thereto.

Housing and Homelessness: Motion (Resumed) [Private Members]

The following motion was moved by Deputy Ruth Coppinger on Tuesday, 17 November 2015.

That Dáil Éireann:

declares a National Housing Emergency to use all necessary resources to resolve the housing crisis since the policies and piecemeal measures of the Government, including the recently announced rules on rents, are wholly inadequate, noting in particular:

— the massive increase in homelessness to approximately 738 families, including 1,571 children;

— the rapid growth of local authority housing waiting lists to between 100,000 and 130,000 households nationally;— the rise in the numbers forced into the private rented sector of approximately 85,000 people in the last year and approximately 140,000 people since 2011 when this Government came to office, due to lack of affordable housing and Central Bank mortgage lending rules;— the spiralling rents leading to widespread hardship, impoverishment and homelessness; and— the fact that this Government has provided the least council housing of any Government in the history of the State;considers that:— the root cause of this housing emergency is the slashing of successive capital programmes for social and affordable housing, a privatisation of housing and reliance upon incentivising private developers;— this continued policy has seen completion of only 20 council homes in the first half of 2015 and a reduction in the Part V of the Planning and Development Act 2000 social/affordable housing obligation from 20 per cent to 10 per cent; and— the cost of building homes via the private sector is approximately double what direct State building would entail, because of the layers of profit required for different companies in the process, and that homes could be built directly at a cost of around €100,000;proposes that among the emergency measures should be:— legislation to ban all economic evictions and repossession where the sitting tenant has no alternative accommodation and also to remove the grounds of needing a rental property for a relative or wanting to sell it as bases for evicting tenants unless it can be proven that the landlord would otherwise suffer undue economic hardship;— reversal of the Rent Supplement cuts that have taken place;— a sufficient number of ‘National Asset Management Agency (NAMA) hotel rooms’, which as of last year accounted for one in eight of all hotel rooms, be dedicated to the emergency accommodation of homeless families with the necessary refurbishments to provide family living facilities including cooking and laundry;— NAMA to be democratised and transformed into an agency to drive social and affordable home-building, using its vast land banks and billions in resources;— the conduct of an audit of vacant properties in the State as part of Census 2016, considering that 230,000 habitable vacant properties were identified in Census 2011;— seeking to acquire tens of thousands of vacant houses and apartments for use as social and affordable housing in order to relieve the crisis in the short term while a massive council

housing construction programme gets under way;— instigating a plan of public investment involving the councils and NAMA to build 100,000 social and affordable homes, including Traveller-specific accommodation, over the next three years, breaching normal European Union (EU) fiscal rules if necessary on the basis that this is an emergency;— maintaining rent controls linked to the Consumer Price Index and backdated to 2011 levels to bring rents down to affordable levels, particularly in the cities of Dublin, Cork, Galway, Limerick and surrounding areas;— based on this model, tenants to be empowered to submit unaffordable rents as well as proposed rent increases for review by a democratised and properly resourced Private Residential Tenancies Board (PRTB), whose prior approval would be needed for rent increases and any proposed evictions;— providing for a write-down of mortgages to affordable levels under a banking system run as a democratic public utility, which serves the interests of society, instead of continuing with privatisation of the banks;— reducing the official definition of housing affordability from 35 per cent of household income to 20 per cent and to establish this as a target to be achieved through a combination of the above measures, policies to increase wages, and restructuring the tax system in a progressive direction; and— in implementing all these measures, to fulfil the human right of everyone living in the State, including travellers, refugees and migrants, to secure, affordable housing, which should be the core purpose of Government housing policy; and further proposes that funding for the emergency measures can involve:— redirecting the €4.5 billion NAMA plans to lend to developers to build expensive private housing for profit to directly build social and affordable housing at cost price, along with the estimated €4 billion-plus to come from NAMA sales overseas;— €2 billion from the Irish Strategic Investment Fund, to be repaid over time through increased income from social and affordable rents;— progressive taxation on wealth, including ending corporate tax avoidance and using some of the up to €17 billion owed by Apple to the State in back taxes.

Debate resumed on amendment No. 1:

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

acknowledges that the construction sector and the housing market were profoundly affected by the economic downturn, consequently creating a significant shortfall in both market and social housing supply;

welcomes the economic recovery and increase in job creation underway for a number of years, consequent on the Government’s successful economic policies;

notes in particular that one of the implications of that recovery and growth in employment has been a resurgent demand for housing;

acknowledges the pent-up demand for social housing as demonstrated by the approximately 90,000 households on the social housing waiting list at the last full and comprehensive assessment in 2013;

recognises that the Government’s on-going programme of economic repair is accompanied by an equal emphasis on social recovery;

notes, in that context, the continued high priority which the Government places on increasing the supply of housing for both home purchasers and renters, including through its Construction 2020 Strategy, and the Social Housing Strategy 2020;

welcomes the measures introduced by the Government to stimulate, in the medium to long term, the sustainable supply of housing through the Urban Regeneration and Housing Act 2015 including amendments to the Part V of the Planning and Development Act 2000 social housing provisions; the introduction of a vacant site levy; and revised arrangements relating to the application of reduced development contributions;

notes the Housing Agency analysis indicates that, as a general guide for households on a moderate income, housing would be considered affordable where housing cost is below 35% of the household income;

recognises the increased and ongoing role played by the private rental sector in Ireland which has doubled from 10% to 20% of households in less than a decade;

welcomes the decisive action taken by the Government to stabilise rents and further boost housing supply in the short-term, by providing for

- rent certainty, by increasing the rent review period from one to two years; increased notice periods for rent reviews and much greater protections for tenants;

- a targeted development contribution rebate scheme in Dublin and Cork, focused on large scale developments at affordable prices;

- fast-tracking of implementation of new apartment guidelines which will support good quality build, while improving the viability of this type of development; and

- legislative amendments to introduce greater flexibility and streamlining to the Strategic Development Zones provision of the Planning and Development Acts;

acknowledges, in respect of homelessness, that the solution is multi-faceted, and in that context welcomes the whole-of-Government approach to dealing with the complexity of the situation, involving all key State agencies concerned, including the Departments of the Environment, Community and Local Government; Social Protection; Health; Children and Youth Affairs; the Health Service Executive; Tusla (the Child and Family Agency); the Irish Prison Service; and local authorities, and in that context:

- welcomes:

- the increase in funding for homeless services to €70 million, announced in Budget 2016, which will ensure continued progress towards the achievement of the end of 2016 target of ending involuntary long-term homelessness and the need to sleep rough;

- with regard to the Homeless Housing Assistance Payment Pilot, the increase in flexibility in relation to rent limits from 20% above rent supplement levels to 50% above rent supplement levels announced in Budget 2016, which will be of significant assistance to homeless families in Dublin moving out of emergency accommodation into longer term housing; and

- the initiative to deliver 500 units of modular housing for homeless families across Dublin, the first 150 units of which will be delivered as quickly as possible in the Dublin City Council area, with the objective of delivering 22 units by the

end of 2015;

notes:

— the excellent work being done through the Tenancy Sustainment Protocol operating in conjunction with Threshold in Dublin and Cork, and of the 4,900 total cases supported with increased rent limits to date, over 1,500 were initiated following engagement under this protocol; and

— the important role undertaken by non-governmental organisations working with homeless persons and seeks their continued engagement with Government Departments and agencies in tackling the situation;

recognises the Government's commitment to the provision of social housing, by providing a comprehensive response under the Social Housing Strategy 2020, which targets the provision of over 110,000 social housing units to 2020, and in that context welcomes:

— the approval, in 2015, of almost half a billion euro worth of local authority and approved housing body proposals for the construction and acquisition of over 2,900 housing units, to be delivered out to 2017;

— the continued close monitoring of social housing supply delivery in 2015 with a view to optimum delivery across the suite of programmes;

— the accelerated progress being made in returning vacant local authority properties to use for households on the waiting list, with 2,500 units targeted for delivery in 2015;

— the continued prioritisation of funding for social housing in Budget 2016, resulting in an Exchequer investment of almost €811 million across a range of housing programmes, as well as local authorities funding a range of housing services from their own resources to the value of over €112 million, bringing the total social housing provision in 2016 to €923 million;

— the commitment of €2.9 billion in capital funding for housing out to 2021 under the Government's capital plan;

— the public private partnership programme, announced in Budget 2016, which will deliver 500 social housing units in the greater Dublin area;

— the €10 million being made available from the proceeds of the sale of Bord Gáis Éireann for an affordable rental pilot scheme;

— the roll-out of the housing assistance payment, HAP, scheme to all categories of households in 18 local authority areas, with over 4,500 households now in receipt of the payment; and

— the commitment to undertake a summary of social housing assessments on an annual basis from 2016 onwards, to ensure up-to-date and comprehensive data on housing need is available on an on-going basis;

notes, with respect to the National Asset Management Agency that:

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— the Government has enabled and facilitated NAMA in playing an important role in the delivery of housing supply generally and social housing in particular;

— this work has to be carried out in a manner consistent with the legislation governing the operation of NAMA;

— 1,600 houses and apartments have been delivered to local authorities and approved housing bodies for social housing use, with NAMA investing over €40 million to make properties ready for social housing;

— the Department of the Environment, Community and Local Government, the Housing Agency, local authorities and approved housing bodies continue to work closely with NAMA to ensure that its commitments on social housing are delivered;

— as indicated in Budget 2016, in line with the National Asset Management Agency Act 2009, NAMA is aiming to fund the delivery of 20,000 residential units before the end of 2020, of which it is estimated that 90% will be in the greater Dublin area and that about 75% of the units will be houses, mainly starter houses;

— NAMA is committed to and is firmly on track to deliver 4,500 new residential units in the greater Dublin area by the end of 2016; and

— further, in 2014 NAMA funded more than 40% of total new housing output across the four Dublin local authorities; and

welcomes the broad strategy the Government has put in place to address the issue of mortgage arrears, including an extensive suite of interventions, such as the code of conduct on mortgage arrears, recasting of the personal insolvency legislation, the provision of advice through the Department of Social Protection-led initiatives, and the mortgage-to-rent scheme which is designed to assist borrowers in unsustainable mortgage positions to remain in their homes through the involvement of approved housing bodies.

- (Minister for the Environment, Community and Local Government).

Deputy Brian Stanley: The issue of housing, which we are discussing in the context of this motion, is an important one because if people do not have shelter everything else falls apart. Without the security of a home people cannot get a job or access social welfare payments and their health and so on deteriorates. According to the housing sector agencies, particularly those that work with homeless people, the situation is worsening as we approach Christmas. It is not that there are not houses available that could be brought into use. Some local authorities have made good progress in terms of bringing voids back into use. In this regard, I point to County Laois where in terms of housing stock there are never more than four or five houses empty at any one time. The situation in other parts of the country is not as good.

Many vacant houses which are under the control of NAMA and the banks we bailed out lie idle while people are homeless, which is evident in many of the doorways only a short distance from here. We need to bring those houses into use. To do this, the process in that regard needs to be short circuited. We need to address this problem head-on. While I acknowledge that up to now the Government has been restricted in terms of what it could do in this area owing to the appalling state of the country's finances at the time it came into office, which it inherited from the previous Administration, it is now 2015 and we need to move on from that.

I would like to address the myth that there is a bias in regard to social housing. The budget of Laois County Council was recently agreed. Rental income for the forthcoming year is projected to be approximately €5 million. The cost of repair and maintenance of social housing in Laois is estimated to be approximately €900,000. I acknowledge that there are other payments to be met, including capital costs and so on. I am not suggesting this is a shining example but it shows that social housing is not a black hole financially. Financial considerations should not be our biggest consideration because, as I stated in my opening remarks, the most important issue in this regard is human well-being. We must ensure our people are properly looked after. To do this, we need to put human need before profit. We need to get our heads straight in this regard. For far too long the market and profit have dominated everything.

The previous Government provided for the sale by developers of a proportion of private sector housing to the local authorities for social housing. The changes made by this Government, in terms of the reduction in the percentage of housing which developers must designate as social housing, have led to a worsening of the situation. These changes, made by this Fine Gael-Labour Party Government, include a reduction from 20% to 10% in relation to the proportion of houses which developers must designate for social housing and the provision of an opt-out clause to allow developers to lease houses to the local authorities. We all know - I heard Members on the Government side concede this - what happens in the context of the privatisation of social housing yet this Government proposes to allow developers to meet their obligations in terms of social housing provision by way of leasing houses to the local authorities. This is not the way forward. For all its flaws, Part V at least provided for up to 25% of private housing developments to be bought by the local authorities at an affordable rate in the context of social housing provision.

I would like to focus on the issue of rents. Before one can solve a crisis one must first prevent it worsening. The high cost of rents is adding considerably to the difficulties in the housing crisis in terms of the number of additional people joining the housing waiting lists. The measures announced by Government are not sufficient to cope with the housing crisis. Since this Government came into office, rents have increased by 35% and, in some instances, by 45%. That is a fact. In the last year rents in Laois have increased by 12.8% and in Kildare they have increased by 13.4%, which are massive increases that in terms of inflation far outweigh increases in any other part of the economy. The Government's response, in terms of the measures proposed last week by the Minister for the Environment, Community and Local Government, Deputy Kelly, are not sufficient to address that situation. They do not link rent increases to the consumer price index or inflation, which leaves the way open for unscrupulous landlords to continue to increase rents to whatever levels they see fit. The only difference is that they can now only do so every two years.

There is a serious problem in relation to tenants acquiring properties to rent at a price within the limits set by the Government in the context of rent supplement. According to a recent survey by the Simon Community there is no accommodation for rent in Portlaoise that is below the threshold set by the Government. This situation is contributing to the homelessness crisis. The pipes are leaking but we are mopping the floor instead of fixing them. In fact, we are adding to the problem instead of dealing with it. The same thing is happening throughout the State; I am merely using Portlaoise as an example.

The suggestion that the Private Residential Tenancies Board, PRTB, would monitor rents in the private sector is not practical. That body does not have the resources even to carry out its own functions, despite the best efforts of staff. We have a situation where tenants who have not

had their rents increased in the past year are now facing a hike before the new measures come into force. Crucially, new tenancies will not be subject to any limits in terms of the increases that may be applied above the level of rent paid by the previous tenants. The measures the Government is introducing do not give rent certainty and certainly do not amount to a rent freeze. Rents are already rising in anticipation of the new provisions. Landlords have used the time while the Government dragged its feet to protect their interests.

The solution to the housing crisis must include rent control measures that set a maximum local rent based on the size of the accommodation. In addition, rent changes must be limited to the rate of inflation and tied to the consumer price index. These measures would tackle the issue of unaffordable rents and provide stability and fairness. Some 130 years ago, people in this country were fighting for fair rents and fixity of tenure. In 2015, tenants still do not have those rights. People who are renting privately come to my office at their wits' end, particularly if they have children, because they do not have a secure roof over their heads. It is an intolerable situation. Right across Europe, people in the private rented sector have some degree of security, but not in this State. The measures being introduced by the Government do not do enough to address that problem. We are calling for effective rent control measures which link prices to inflation. The Minister of State's Labour Party colleagues have been blaming Fine Gael for the failure to introduce that measure. I do not know what goes on inside Government and I do not pretend to know. I am certain, however, that whoever is responsible for holding it up is wrong to do so. We must ensure people are paying a fair rent and have fixity of tenure. That is what the Land League fought for 130 years ago.

There are other measures that should be taken. The Government must ensure more National Asset Management Agency properties are brought into use. Although there has been some progress in that regard, not enough homes are coming on stream. We must expand the local authority house-building programme. The Government has set out an allocation of €312 million up to the end of 2017 for new builds. That will not be enough. We had substantial house-building programmes in this country in poorer times under various Governments, including Fine Gael in the early 1950s. A programme on a similar scale now would provide a significant release valve by moving people off the waiting lists. We need, too, to put in place a proper mortgage debt resolution agency. The Insolvency Service of Ireland does not have the powers that are required to be effective. Lenders still hold the cards as long as they have lent more than 60% of the value of a property. I understand a mechanism is proposed that would operate via the courts, but it is very cumbersome. We need a more streamlined process given there are more than 100,000 people with distressed mortgages.

I offer these possible solutions not by way of criticism but to be helpful to the Government. We must move on all these fronts to tackle the problem. There is no single solution that will resolve the difficulties people are facing.

An Leas-Cheann Comhairle: Deputies Dan Neville, Jerry Buttimer, Derek Nolan, Helen McEntee, Anthony Lawlor, Áine Collins, Michelle Mulherin, Robert Dowds and Catherine Byrne are sharing time.

Deputy Dan Neville: I will focus on a specific issue, namely, the relationship between homelessness and mental health. Having a severe mental health difficulty can put people at risk of homelessness for various reasons. Without proper mental health support after discharge from hospital, a homeless person may fall out of treatment and end up relapsing. Mistrust or dissatisfaction with an overly medication-orientated treatment regime can put people off seek-

ing report, leaving them to struggle alone. For those with an addiction and a mental health difficulty, there are often barriers to accessing mental health treatment until the addiction has been brought under control, putting this group in a potential catch-22 situation that can lead to homelessness. For others, the issue may be the need for support to maintain their housing situation and relationships in their community.

From the other direction, being homeless puts people at high risk of developing mental health distress. Homelessness exposes people to a risk of trauma, violence and lowered self-esteem, while the living conditions and chaotic lifestyle of the street make it difficult for people to access mental health services until they are at crisis point. Too often, homeless services are unable to get mental help support for clients in a crisis and are forced to turn to busy hospital emergency departments where the individual in distress often cannot afford to wait the many hours it might take to get help. People with mental health difficulties are seen in greater numbers among the prison and homeless populations.

The high incidence of mental health difficulties has been documented by several organisations that assist the homeless. In 2014, Dublin Simon Community reported that 71% of people using its services had a mental health difficulty, while 22% reported a diagnosis of either schizophrenia or psychosis. These figures suggest that the move to community-based health services may have left some people without adequate follow-up support. A striking link between homelessness and acute mental distress is shown in an audit carried out between October 2012 and September 2013 by the acute mental health unit at Tallaght hospital. It found that 98% of long-stay or delayed-discharge patients had accumulated related needs during that period. Of particular concern was the finding that one person was discharged into the homelessness services every 9.5 days from Tallaght hospital alone.

Deputy Jerry Buttimer: The Government has taken steps to end the housing crisis across the country. In the next six years, 35,000 units will be built through an investment of €3.8 billion. This year alone, some 7,400 units of social housing will be provided. These are all welcome developments. In the time allocated to me, I will focus on an issue I have raised before in the House. I have been in contact with the Minister's office in recent weeks regarding the allocation of funding to both Cork City Council and Cork County Council. Between 2011 and 2014, this Government allocated €30 million to the city council but, regrettably, not all those moneys were used. The figures in this regard are indisputable. Some €1 million for housing adaptation grants for older people and persons with a disability was not used. In the case of housing construction and acquisitions, €2 million was left unused. Of the money available for energy efficiency measures, €3 million was not drawn down.

There is a huge contrast between the two Cork local authorities in this regard. Over the same four-year period, the county council drew down €6 million more than it was allocated. An additional €2.3 million was given for housing adaptations and an extra €500,000 for the purpose of putting vacant units back in use. I have contacted the CEOs of both councils about their use of these moneys. It is important that the city CEO, in particular, should answer those questions on behalf of the tens of thousands of people who are waiting to be housed and deserve better when it comes to efforts to tackle housing shortages.

In addition, the latest figures for 2015 provided to me by the Department give cause for concern, with significant sums remaining to be drawn down. Maybe it will be done in the next few weeks.

Deputy Jonathan O'Brien: No, it will not.

Deputy Jerry Buttimer: We need to get an explanation as to what happened in the four-year period.

Deputy Jonathan O'Brien: Deputy Buttimer knows the explanation because his brother sits on the council.

Deputy Jerry Buttimer: The graph does not lie. The people on the housing list in Cork deserve better than to see moneys available being returned to central government. They deserve better than seeing the moneys not being used.

Deputy Derek Nolan: It seems the effects of the property bubble continue to impact on our society and our citizens to such an extent that here we are eight years after the crash still trying to pick up the pieces of a dysfunctional and destroyed housing market. There is a shortage of private housing across Galway county, and in the city in particular. We never overbuilt in Galway and never had those vast ghost estates they had elsewhere. As soon as economic activity picked up, the houses that were available were snapped up. Now, one can have up to 25 people viewing a house to let any one morning. People with regular jobs want to get on the property ladder and to raise a family. Instead of being able to buy a house, they have to stay in their private rented accommodation for dear life while rents go up, because the price of a three-bed semi-detached in Galway has gone from €180,000 three years ago to €230,000, a significant increase.

The last Government, while destroying the economy and collapsing the housing market, decided not to build any more social housing. We are now finally seeing some investment in that area, albeit not at the pace or the numbers we would like. Getting it all back up and running is taking so long that we need to be cognisant that when we are putting in place the infrastructure for the future housing market we do not put back in place that which got us into the problem in the first place. To do that, we need to ensure the Government and society views housing not as a market commodity that goes up and down based on supply and demand but as a sector that is actually regulated with a cap on land prices. We must make sure land is not used to hold entire cities and counties over a barrel to get the highest price, allowing somebody become a multimillionaire overnight for selling a site while families work for 30 years to pay off a mortgage. We need to move towards a housing model that is socially sustainable and for the citizens.

In Galway city, we are facing many problems. The measures introduced to calm down the rental market and to give greater certainty to tenants will fix that. However, that is just a stop-gap measure which will not fix the problem until we get private housing built properly at an affordable price. It will not be fixed until we get social housing built for those who will never be able to own their own property because of their ability or their means of payment. Until we get that right, we will be in a serious situation that will not allow us to give people the certainty of tenure they need, the home they need to raise a family, as well as a decent level of living quality. In Galway, we need to get the funding for social housing for the Knocknacarra area and builders back building. We need to stop them from sitting on sites, so they can get unrealistic prices like in the crazy times. We must realise that housing is important and a social commodity, not something to be handed back to the speculators as the economy improves.

Deputy Helen McEntee: I thank the Opposition for raising this important issue and welcome the opportunity to speak on it. However, as the Deputies who put forward this motion

would agree, there is no quick fix for a housing crisis. If one looks at the experience of different countries across Europe, after an economic downturn or a crash, there tends to be a housing crisis or an issue. Unfortunately for us, because of the building practices encouraged by the previous Government, it has exaggerated the problem here.

The Government's focus has been on securing the economy, restructuring the banks while ensuring the public finances are secure and more people get back to work. The more people we have working, the more money we have to invest in social housing, health and education. We do have a housing problem, however, with which we are dealing. It would be very unwise of us to implement quick fixes such as relaxing regulations to allow houses to shoot up like they did several years ago. If that happened, we would end up with problems like pyrite in housing estates and schools that I have to deal with every day. It is absolutely devastating for the families involved, affecting their daily lives and, in some cases, their sanity. There would be issues such as those at Riverwalk Court, where people are living in apartments that are not fit to live in, and Priory Hall. These are issues which the Government is trying to deal with through housing policy and policy to help construction.

We have a tradition in Ireland where people like to own their home. I do not believe that will ever leave us. However, I meet people every day who are just trying to get into the rental market or social housing. The Government is trying to deal with this problem. I would liken it to the Department of Health where anything that has been asked of the Minister, he is trying to deliver on. Both Ministers in this regard are trying to implement several recommendations and already several measures have been implemented. There is also funding behind this. We need a period of nine to ten months during which rents do not increase. I welcome recent measures by the Minister for the Environment, Community and Local Government in that regard. It is not right when one sees a couple paying €1,200 for a one-bedroom apartment in Rathfarnham. We are trying to deal with problems left by the previous Government, among many other issues. It will take time to resolve this.

Deputy Anthony Lawlor: Again, I welcome the opportunity to speak on this issue and I thank the Opposition for bringing forward this motion. As Deputy Helen McEntee already said, there is no silver bullet for this. If money were the solution to our problems, the Minister has certainly put a lot of money into this programme over the past several years when it has become available. People seem to forget that three years ago, the State was in financial trouble and did not have the money to construct houses. Another reason for the shortage of social housing is that the previous Administration opted out of social house building, leaving it up to private developers to provide local authorities through the 20% social and affordable housing requirement for new developments. That dried up when house building collapsed completely.

Over the next three years, the Government will invest €3.8 billion which will create a sizeable scope for building houses. The problem is that local authorities in many cases are not ready for this. Over the past five years, local authorities did not plan for when money would be available for them to build social houses. They left the lands they owned fallow too. They never put in place plans, Part 8, so that when moneys became available, there would be shovel-ready lands on which houses could be built. Kildare local authority has only one shovel-ready site for 24 houses. Local authorities must step up to the mark and get the lands they own suitable for housing so they can download the money available from the Minister. I welcome the roll-out of the housing assistance payment, HAP, scheme. From a Kildare perspective, however, the limit of €1,000 needs to be upped because rent for a three-bedroom semi-detached house in Kildare starts at €1,500. Increasing the threshold would allow people some stability

in the rental market.

If everybody is in a rush to build houses-----

Deputy John Halligan: There is no rush.

Deputy Anthony Lawlor: -----then the quality of the houses that will be built could be affected.

Deputy Ruth Coppinger: The Government is taking its time.

Deputy Anthony Lawlor: In the past, there has been neglect of housing quality standards. It is most important we do not start building houses again and neglect building standards. It is important we instruct local authorities to build houses to the standards that have been set out.

We should not be proud of the homeless figures in the State. However, the situation is worse in the Sinn Féin-controlled Executive in Northern Ireland.

Deputy Jonathan O'Brien: The figures here have doubled in the past 12 months under this Government.

8 o'clock

Deputy Áine Collins: I too welcome the opportunity to speak on this issue. There is no doubt that the whole house building process needs to be kick-started, especially in major urban areas. There is sufficient land zoned, but developers and banks must be convinced that building projects are economically viable. On 10 November this year, the Minister for the Environment, Community and Local Government and the Minister for Finance, Deputies Kelly and Noonan, announced a new raft of measures to obtain this objective. These measures are delicately balanced as getting it wrong would make the situation even worse.

The concept of mixed developments as envisaged under Part V of the Planning and Development Act must continue to be our paramount objective. This is why the balanced approach adopted by the Government must be the way forward. An enhanced supply of starter homes will be encouraged and there will be a targeted rebate of development contributions in Dublin and Cork and new planning guidelines to reduce the price of apartments. Combined, these new actions, along with new rent control measures, should make much needed new housing developments more economically viable.

I acknowledge and welcome the new flexibility that is to be shown in the rent supplement and housing assistant payment, HAP, schemes. Recent reports from housing departments, especially in Cork, which was a pilot area for the HAP scheme, have been very encouraging. It is proving, by far, the fastest way of allocating houses. However, all these incentives do not deal with housing shortages in our rural towns and villages. A new system must be introduced to encourage small builders to purchase and refurbish houses in the centre of these towns and villages. This will solve the dual objective of providing social housing and revitalising communities.

Deputy Michelle Mulherin: I commend the suite of measures put in place to tackle the housing crisis. These are solutions based on leasing, buying and building homes for people. I commend the Minister also. This is one of the most difficult social issues we have to face. I will not get into the reasons that led us to having a housing shortage and the situation we are

in but not so long ago, at the beginning of the term of this Parliament, people were saying we would have to pull down houses in different parts of the country and the idea that we would embark on a massive building of houses was rubbished in many sectors.

The two-year pause on increases in rent is not excessive. Any intervention in the rental market would be justified. The Ministers, Deputies Kelly and Noonan, have decided upon this course of action in respect of rent stability because the market is skewed given the lack of supply of new builds. An artificial situation has been created in the short term and we are addressing it. Such extraordinary market situations can and do justify intervention in the rental market.

I would like to see a situation where once again the general idea would be that local authorities would be brought to the heart of the delivery of social housing. Voluntary housing associations and what they deliver are currently very much in vogue but we should look a little closer at the issue. There is a lot of expertise in local authorities, which have to deal with everyone. Voluntary housing associations get to cherry pick their tenants from the council housing list and they are not shy about getting people evicted for anti-social behaviour. These people go back to the local authority looking for housing and the local authority has to pick up the pieces. These voluntary housing associations have bigger budgets for maintenance and staffing resources. My experience of the projects delivered in my county is that these voluntary housing associations seem to be able to leverage money. I would like to see those issues addressed.

A fair analysis would show that, of the money local authorities receive from tenants, as little as 20% to 25% is put back into maintenance. Therein lies the problem of long-term voids. Mayo County Council only puts 22% of the money into maintenance. It is frustrating, to say the least, to see houses lie empty for a long time after they have been vacated when they should be put back into use. These issues are the responsibility of councillors when setting budgets. I know there are demands other than housing on local authorities but if the Government sees housing as a priority and is tackling the issue of homelessness, local authorities should do so equally. This is a critical and overlooked issue. Local authorities are under pressure to deal with the homelessness problem, but are they being provided with sufficient moneys for their housing budgets in order that they can invest in maintenance and put long-term voids back on the market?

Deputy Robert Dowds: Housing is the most pressing issue this Government and country currently faces. Long before it was possible to put lots of money towards the issue, I was part of a group of Labour Deputies that was pressing for social housing to be built. What stalled everything for so long was the fact that the country was broke. It is a pity that no member of Fianna Fáil is in the Chamber to hear it, but I regret the fact that previous Fianna Fáil governments could have delivered up to 10,000 social houses. It did not deliver on them because they allowed buy-outs by developers. The situation would be a great deal eased today if those 10,000 houses had been built.

Fianna Fáil governments privatised the delivery of social housing, which was a disaster. Houses were being delivered by small, amateur landlords who had one or two houses. Unfortunately, as we know, several of them got into financial difficulty because they overstretched themselves, which they were encouraged to do by the banks. Another problem was that people were encouraged by the section 23 relief to build houses in inappropriate locations. The relief encouraged people to build houses where they were not really required and this greatly exacerbated the problem.

I welcome the fact that the Government has at last been able to put a great deal of money towards this issue. It is very important that the new incoming Government pursues the delivery of housing as rapidly as possible. It is an absolute social necessity. If housing is not delivered where it is required it will also cause damage to our growing economy. The most important reason housing needs to be delivered is its impact on people themselves. I welcome the many initiatives the Minister, Deputy Kelly and the Minister of State, Deputy Coffey have introduced to address a whole range of issues. These include the delivery of social housing, the development of the housing assistance payment, the building of modular homes and so on. There are so many things being done and they will, in time, deliver results.

Deputy Catherine Byrne: It is clear from the contributions of previous speakers that homelessness is a huge problem. Many of us have concerns about families being housed in hotels where there is only one room and very little space available to young children to participate in normal family activities. This Government has committed €7 million to housing authorities in 2016 for measures such as housing purchase. In my constituency, St. Teresa's Gardens and Dolphin House are being de-tenanted and many people have been transferred under this scheme. The council has been buying houses with money from the Department of the Environment, Community and Local Government to facilitate the de-tenanting of St. Teresa's Gardens so a new build can begin.

The return of voids is also very important in my constituency. In the past couple of months, 23 flats in Basin Street flats were put back into use. Unfortunately for the people living in Summer Street flats, there are eight units there still void. They are on the top floor and must be brought into use immediately. The money has been allocated to the city council for the refurbishment of the roof but it appears to be taking some time. Perhaps the Minister could do something to hurry that up because those units could be used. The roll-out of housing assistance payment, HAP, is very important, as is the provision regarding homeless households in the allocation of tenancies under the control of the housing authorities in each council.

The only way of resolving this crisis is to build, not only social housing but also private housing. Many people are seeking to be housed whether it is in social housing or in private units. The Minister should also consider, as part of any future review of this, building more senior citizens' units. On a daily basis, I get telephone calls from people who are living in a three-bedroom house but who only use one room downstairs. They would gladly transfer to a senior citizens' complex within their community where they can live out the rest of their lives, when the units would be returned to the authority. That is an important move we should consider.

I welcome the provision of modular housing for homeless people by the Government. Some people say it is short-sighted but I do not believe it is. We have been told by the Minister and the Department that an average modular house can be of use for 30 to 50 years and that is important. However, I urge caution in this regard. There must be consultation with residents in the areas. One cannot simply walk in, take over a site and build houses. There must be consultation with residents. That is one of the huge problems that could occur, which will further delay the process with modular housing.

Deputy Patrick O'Donovan: In the short time I have available, I will speak about a group of people who are often forgotten, people in rural areas. One-off houses were previously the mainstay of the social housing scheme for many local authorities throughout the country but this has vanished in the past 15 or 20 years. Members of the farming community, in many cases small farmers in severely disadvantaged areas, were able to give a site to the local authority

for the construction of houses. Such houses were previously called the farmer's cottage and latterly became known as the one-off rural house for social housing for people in rural areas. I encourage the Minister to re-examine that scheme. These people are bringing something to the table, and in many cases it is a valuable asset.

The Minister made changes recently to the building regulations for one-off private rural houses but this is adding to the housing problem. There are unrealistic regulations, and the Minister knows what I am talking about, in terms of planning permission and a third party organisation being given a right to object to a person's ability to build on their property. This organisation is based in Dublin 4 and has no connection to a rural area but can pass judgment on a person's wish to live in a rural location. The Department has an obligation to examine that. The organisation is funded by the Department and is allowed to travel around the country and lodge objections willy-nilly when people wish to build a house on their land. It is about time it was called to book.

I am a member of the Committee of Public Accounts and one of the issues that has arisen there time and again is NAMA and the allocation of social housing to the local authorities in Dublin, in particular, and in the greater Leinster area. There is no rational explanation for the refusal by some of the local authorities in Leinster and especially Dublin to accept perfectly good houses. They have been refused point blank by the local authorities while thousands of people linger on the housing lists. I call on the Department to examine this issue.

An Ceann Comhairle: I ask Deputies to give their attention to the speaker.

Deputy Patrick O'Donovan: Thank you, a Cheann Comhairle. This is a serious issue for people in my constituency who are awaiting a solution. To have the Members opposite skitting at it, like something out of "The Muppet Show", does not do the issue any justice.

Deputy Joe Higgins: Ask where the ministerial muppet is.

Deputy Patrick O'Donovan: To return to the issue I was discussing before the Members opposite decided to laugh at it, the local authorities in the Dublin and Leinster region have refused perfectly good offers. I ask the Minister to invite the chief executive officers of the Dublin and Leinster local authorities to the Department to get an explanation as to why, when thousands of people are lingering on the housing waiting lists in their areas, they saw fit to refuse these.

I will conclude with the subject on which I started. If we are to have a mix of social housing across the country, it is important that the people in rural areas, in my constituency and the Minister's, who are often forgotten and live outside the 50 km/h speed limit are not omitted in the round of social housing on which the Government is about to embark.

Deputy Joan Collins: I support this motion. We have listened to the Government time and again roll out different figures or the same figures to give the impression that more money is going to housing in this country. The Minister, Deputy Alan Kelly, is a good example of the Labour Party's role in the Government. For months he has huffed, puffed and generally made a great deal of noise but then he quietly rolled over with regard to the rent caps. That is abhorrent, in view of what people need at present to resolve this issue.

Why do we have a housing crisis? One need not be an expert to understand the reason. The failure to build and maintain an adequate supply of good quality social housing is the key fac-

tor. That has been the failure of both the previous and the current Governments. When I was a member of Dublin City Council in 2010 and 2011, I tabled an emergency motion regarding NAMA handing over properties. We had a housing crisis then at that level. A member of the Labour Party, Deputy Eric Byrne, produced a leaflet in 2010 stating that Dublin was in the grip of a housing emergency. In the leaflet he said that his motion in Dublin City Council to declare a housing emergency was an attempt to shock the then Government into taking action. He is now a Member of this House and he is not prepared to stand and shout that there is a housing emergency in the country.

The crisis is the result of decisions taken at Government and local authority levels effectively to abandon social housing provision and to rely on the private sector, developers, builders and landlords. It is a disastrous policy failure that must be reversed. However, all the Minister offers is more of the same. We must build 100,000 social housing units over the next ten years. The most effective way to do that is by establishing a national housing agency and declaring a housing emergency to respond to the humanitarian crisis facing people. The Government should accept this demand and utilise it to get the funding that is required. A national housing agency would bring together and oversee NAMA and local authorities and would mobilise existing resources in terms of land, existing housing units that are vacant and suitable and, crucially, would be able to borrow to fund a programme for directly building social housing.

This would be far cheaper than relying on the private sector, which the Government is hoping will build 75% of social housing units. It will not do that. In addition, there is no guarantee that the private sector will meet the targets the Government has set. Only 20 social housing units were built in the first six months of this year. The Minister is confident that this will increase to 200 over next year. We need 100,000, not 200 in the next year.

Many Members on this side of the House gave a cautious welcome to the changes in the 2000 Act to remove the ability of developers to make payments to local authorities in lieu of providing units for social housing. The point was made by a Labour Party backbencher that the Fianna Fáil Government, and I have many issues with Fianna Fáil and the last Government, allowed developers to pay for the housing rather than offer the houses for social housing. It did not; the local authorities did that. There was a provision in that Act to permit that and the local authority housing management allowed it to happen. It should never have done so. The councils at the time should have kicked up murder about it but the Labour Party and Fine Gael in the councils did not do so.

I do not know why it was necessary to reduce the requirement from 20% to 10%. That should be reversed. There is an urgent need for social housing. Where is the logic in reducing the obligation on developers to provide social housing in developments by 50%? I do not know why the threshold is to be increased for developments from four units to nine. Where is the logic to that? That change should be reversed. I also want to raise the issue of the amendments proposed to section 34 of the Bill, which, I understand, will allow a developer to avoid the obligation to provide social housing units to a local authority if that developer agrees to rent out the units. That should not be there because all the housing should be designated as social housing. I have supported the concept of a vacant site levy for a long time but, again, I question why it is to be set at such a low level of 3%.

We must put in place the necessary short-term measures to deal with the escalating problem of homelessness, which is now affecting 80 families each week in Dublin alone. The point was made on the other side of the House about how that is affecting the mental health of families,

both adults and children. This is going to be a huge problem. Again, the reasons are clear. Landlords are raising rents or exiting the market. The question of rising rents should have been dealt with by a temporary rent cap, which would have been achieved by temporarily linking rents to the consumer price index while bringing in a more long-term solution by regulating rents to make them affordable. The so-called rent certainty the Government has introduced is the certainty that rents will rise.

In the context of the Minister of State's point about the Residential Tenancies Act, the two key requirements were not mentioned. The first is to change the Act so that when properties are sold, this will be done with tenants *in situ*. This is done with commercial property, so why is it not being done with housing? The second requirement is to provide greater security for tenants by raising the period to a minimum of at least ten years. On another point, the credit unions are willing to offer €2 billion but the Government has not taken them up on it. That could be used to build nearly 12,000 houses.

Deputy John Halligan: If members of the general public are listening to this debate, they could easily become confused. I was in my office listening to some Government Deputies talking about the need to build more houses. We are the ones saying more houses need to be built, so I think there is some confusion. It is easy to say we need to build more houses. The exact nature of the problem is that we are not building enough houses.

People sleeping rough is the most visible and extreme consequence of homelessness and homelessness is the most visible and extreme consequence of a dysfunctional housing system. The housing system today is an example of a perfect storm. These are not my words or a quote from the socialist parties, rather they are the words of Peter McVerry. We need to listen to what he is saying when he makes the point that there is a perfect storm.

There is an amalgamation of problems with private housing, private rental property and social housing. These three areas are all in crisis at the same time, although I do not believe this fact is being discussed. On private housing, for those starting out on the housing ladder who want to buy a private house, prices are moving out of reach of most young couples on moderate or middle wages, in particular as they need 10% of the cost of the house as first-time buyers or 20% if buying for a second time. That is what is facing thousands of young couples whose first option, if they had a choice, would be to buy their own private houses. That option is being taken away from many young people, perhaps for ever.

There is also a perfect storm within the private rental sector. Some 20% of households are now renting, which is a huge increase on the years preceding the crash. We all know that good quality houses are scarce throughout the country and that some 40,000 rented properties were taken out of the housing stock and put up for sale between 2011 and 2015. This has caused a problem because it means the first group of people I mentioned are unable to buy houses and it also took many people out of the rental market. A survey of landlords carried out by the Private Residential Tenancies Board last year indicated that one third of them intended to sell their property when they could afford to do so. There is no doubt that this trend will continue. Therefore, we are now back into the perfect storm for people who want to buy private houses and those who are renting.

I also wish to refer to the famous housing assistance payment, HAP. It has been acknowledged by Deputies on all sides that there are fundamental flaws in the HAP scheme which have left people who are urgently seeking housing in dire straits. I will give an example. As is the

case with many other Deputies, my office has been inundated with calls. During the summer, I carried out a survey of 13 auctioneers in Waterford city and Tramore and found only one landlord willing to accept tenants who are paid through the council-administered HAP scheme. Very few applications secure housing through the scheme. The Government will tell us that people are taking up the scheme but those taking it up are predominantly transferring to HAP from the rent supplement programme. Why do landlords not want to take people on the HAP scheme? It is because the rent ceilings are too low. Hence, there is, again, a perfect storm in the rental market.

There are 100,000 to 130,000 people on housing waiting lists, although I believe the number is actually greater because there are individuals who are living with their parents and who, for example, say that, as a single person, there is no point in going on the housing list because they are not going to get a house for years. As a matter of fact, some of them consider themselves homeless. This is the problem with regard to the 100,000 to 130,000 people coming onto the list. As a result of that to which I refer, there is also a perfect storm in the area of social housing.

We really have to listen to what Peter McVerry is saying, namely, that a perfect storm has developed not only in the social housing market but also in private housing and rented accommodation. This is the difficulty we face. Nothing has really changed since the crash. The economic consequences we face today are that house prices are going up and that private rent is increasing faster than it was five or six years ago.

Deputy Clare Daly: We have a housing crisis. It is an emergency. Everybody seems to realise it except the members of the Government, who are displaying ostrich-type behaviour. However, burying their heads in the sand is not going to deal with this issue. An emergency requires an urgent response. The members of the Government are the only people who think they have delivered that. The first thing to do in a crisis is to try to stop making it worse. They have not even got that bit right. The numbers of people without a secure roof over their heads has skyrocketed under this Government's watch. Contrary to what Deputy Mulherin said about the solutions it is implementing, what we have had has not been an abundance of solutions but rather a hell of a lot of announcements at a time when people needed a lot more. The actions the Government has taken have actually made things worse.

Is it not ironic that, 145 years ago on from the land wars of 1870, where the demands of the three Fs were put forward, two of them - fixity of tenure and fair rent - have still not been delivered? Some 145 years have passed and we have not even got that bit right.

The Government's announcement of its solution of that issue has made things immeasurably worse for tenants because, thanks to the Government's dillydallying and delaying on this, we have seen the greatest jump in rents since 2007 in this past month. I have no doubt the delays were deliberate on the side of the Minister, Deputy Noonan, who very much tends to have the ear of the REITs.

Simplistic points have been made suggesting the problem with dealing with landlords is because a number of Deputies are landlords. I do not believe that is the problem, rather the problem is with the REITs. The problem is the large vulture capital funds that have been allowed to dominate the rental market in this city, a system facilitated and nurtured by NAMA and by the antics engaged in by NAMA, not least with the scandalous decision on the Government's watch to allow the sale of Project Arrow while Cerberus is under criminal investigation in a number of jurisdictions. Even parking that travesty, the fact the Government would give

away a portfolio, half of which was residential property in this country, for less than €1 billion and at the same time announce it was going to spend a couple of hundred million euro on building housing units does not make sense. Those units should have been provided and put on the market for the people who need houses now.

I agree totally with the points made by Deputy Joan Collins in regard to the measures that are required when distressed properties with tenants are being sold. No serious proposals have been made in that regard. This evening, we received a circular from FLAC regarding the Government's inadequate ability to deal with the issue of mortgage arrears. In that circular, Noeline Blackwell speaks about the Government's solutions for keeping people in their homes. She said she knew last May these solutions needed to be put in place, but there has been bewilderingly little progress on putting these measures in place. Only 110 mortgage to rent agreements have been put in place. This is pathetic and undoubtedly means that for many of these over-indebted borrowers and tenants who live in buy-to-let properties in arrears, the promises made over the past six months have resulted in no improvements in systems to allow people take control of their debt and gain security in their homes.

There is no real delivery from the new measures either. The Government is providing modular dwellings, something many people have serious doubts about, but is placing them on sites that have already been serviced for the delivery and building of social housing. One could not make this up. The fundamental flaw in the whole Government approach to this matter is that it is displaying what the previous Government also displayed, an over reliance on the private market. However, the private market cannot deliver and meet the housing needs of citizens. We need an intervention by the State and we need a level of house building and provision that we have not seen in the past number of years.

The fact the Government has announced it intends to spend €4 billion to 2020 on housing is not a cause for great celebration because everybody knows that it has paid €2.5 billion to line the pockets of private landlords over the past number of years. Also, the overwhelming bulk of the moneys now being provided will go to the private sector. There must be an absolute change in approach. Some €27 million is being spent on remediation of Priory Hall, so why is that building not being made available? Sites in St. Teresa's Gardens and other areas are ready to go and all that is needed is investment and for the Minister to access the funds. The situation is not good enough. This is an emergency and that means we need an urgent response from the Minister, not an announcement. We need to see improvements on the ground. What has been delivered is too little and too late.

Deputy Mick Wallace: There are a number of reasons and numerous opinions on why we have a housing crisis. Without a doubt the main problem is the fact that the current and the previous Government stopped building social housing. When the State stopped building social housing, this had a knock-on effect in the private and rental sectors. On top of this, we have serious problems with both of these sectors.

The decision by NAMA and the banks to sell off rental units and development in a fire sale has been a disaster for the housing and property market. When the next government initiates an independent commission of inquiry into the workings of NAMA, the rationale behind the decision to sell properties in large bundles will have to be analysed. These bundles are so large that only a few investment funds worldwide could entertain the idea of buying them. It is hard to perceive how in God's name the rationale for this came about.

On top of this, we had huge portfolios, like Project Eagle and Project Arrow, sold in a non-competitive fashion, with the Irish frozen out of the market for the best value portfolios. The bigger the portfolio, the lower the value obtained for the assets. This made no sense whatever. Take for example Project Orange, which was sold to Irish Residential Properties. This company now owns over 1,500 units. Project Orange contained 760 units, so why in God's name, given our housing crisis, did the Government not use some of those units for social housing? That is what should have happened. The Project Orange portfolio was sold for a fraction of the price it will cost the Government to build the required social housing units. The same situation occurred with Project Arrow, which was sold to Cerberus for €800 million. Almost half of that portfolio was residential property, but the Government did not even examine it to see what was suitable for use as social housing.

In January 2014, almost two years ago, I warned the Minister for Finance in the House during Question Time about the real estate investment trusts, REITs, that were being set up. I warned that these would invite foreigners into the country to buy large portfolios of property with zero tax to pay. I said at the time that questions must be asked about the increased corporatisation of property markets with little financial gain for the State. I went on to say that this would surely have implications for the rental market in the years ahead. The Minister replied: "It is hoped that the REITs will help to standardise and improve management standards across the rental property sector as a whole, which would be of benefit to both investors and tenants". They were a huge benefit to investors, but not to tenants. When I look back on this, I wonder whether this was done deliberately and whether the Government did want to corporatise the whole rental market. That is the direction we are taking. Now, with the likes of Kennedy Wilson and REITs controlling so much of the rental market, it is easy for them to form a cartel and dictate prices.

NAMA has said it will build 20,000 housing units on land that belongs to the Irish people because it was part of the distressed assets of the banks. However, only 10% of these units will be social housing. Why, given that we need significant social housing if the housing crisis is to be addressed, is 50% of this housing not to be social housing? I would not agree with making 100% of this housing social housing because that would create another ghetto. However, we need to begin to address the fact that the Government is not building social housing currently. If it is going to allow NAMA to build 20,000 units, half of those units should be social housing units and there should be a proper housing mix so that there is no ghettoisation.

Traditionally, social housing here has had a bad reputation. It has meant poor quality, a poor location and poor services. It does not have to be like that. We can build good housing almost as cheaply as poor housing. There is no great gap between the cost of good, decent housing and poor housing. It is outrageous to think we cannot build social housing well and mix it with private housing in a good way. If we look at state housing in Italian cities, we see good quality units. We could do the same. We must change our attitude in regard to the provision of social housing. This would make a significant difference. Until the Government decides to get over its ideological barrier to building social housing, we will continue to have a social housing problem and a housing crisis, and people will continue to fail to afford to buy into the private or rental market.

Deputy Maureen O'Sullivan: "Alarming", "disturbing" and "frightening" are the three words I would use to describe the housing issue. While there is no doubt that the position is getting worse outside Dublin, it is in Dublin where the most severe difficulties are being experienced when it comes to housing and homelessness. We know the facts. We know that more

than 700 families and 1,500 children are homeless. We know that the local authority housing list runs to over 140,000. We know about spiralling rents and the rigid and restrictive Central Bank mortgage lending rates.

I want to mention specific problems I come across every day, one of which concerns those in recovery from addiction. That recovery is being jeopardised because there is not enough drug free accommodation available. I have listened to what is happening in London, in particular, in one project. A whole building was made available to provide homeless accommodation for those who had difficult and chaotic lives, but there was one floor for those who wanted to become drug free. There were detox facilities with medical care. The difference this made to people in getting out of these chaotic lives was unbelievable. Long-term tenants in their 50s who have consistently paid their rent are facing eviction. People are sharing rooms as opposed to houses and flats. There are people on reasonably good incomes who will never get a mortgage. People are working to pay rent rather than earn a living. A single man in his 30s on a local authority housing list will more than likely be eligible for senior citizen accommodation before there will be a move on the local authority list. Foreign nationals are presenting to homeless services and being moved through pathway accommodation because they are foreign nationals. That is not represented in the true figure for those who are homeless.

Successive Governments took their eye of the ball when it came to housing. They ignored the reports and statistics which indicated that there would be a crisis. We are aware of the over-reliance on private developers and the way in which there was light touch regulation. We know that local authorities stopped building and that landlords had the power to raise rents at will. I have sympathy for landlords who deal with tenants from hell, but more and more I see the other type of landlord who uses whatever means are at his or her disposal to evict tenants and, of course, the banks facilitate this. Whatever about banks moving against the owner of a property, it is the tenant who suffers the consequences.

On the boarding up of voids during the recession, the local authorities bore the costs. I acknowledge that Dublin City Council has been moving much quicker on the issue. Some sensible solutions have been proposed in the motion tabled by Deputies Ruth Coppinger, Joe Higgins and Catherine Murphy. A reasonable proposal is that during a housing crisis there be a halt to economic evictions and repossessions, especially where there is no alternative accommodation available for the tenant. It is heartbreaking listening to people who know that they are facing eviction, particularly for those of advancing years. Landlords have been unscrupulous in trying to get rid of tenants because it is a landlord's market and they can find tenants who will pay more. If there is not going to be a total ban, the measure could be in place for a much longer period of six to nine months.

There is a need for the banks to differentiate in the way in which they treat people where a house is their home as opposed to those people who have houses as part of a property portfolio. I am opposed to giving more in rent to landlords for substandard accommodation. The reality has to be faced that rent supplement is not in keeping with market rents. The rent allowance for a single man is €520, for which one will not find one bedroom accommodation in Dublin, although I am not sure what the position is outside Dublin. What is happening is that young people are paying between €200 and €300 to share a room with two or three others. It is no secret that people are topping up on their rent allowance. Why not look at the consumer price index as a much better way to gauge fairness?

Some weeks ago we had a debate on tax justice and corporate tax. Social Justice Ireland

states a 6.5% effective tax rate would bring in an additional €1 billion. We have only to look at NAMA and the number of hotel rooms it has in its control. It is sensible and practical that it should give a certain number of rooms in hotels for those in homeless accommodation. I have been speaking *ad infinitum* about Moore Street which was a street on which people lived and which is in the control of NAMA. Why cannot it gift that street to the State when we could have a proper restoration to provide housing for people? There is a scheme of improvement works in lieu of local authority housing which could be looked at. There are people living in overcrowded accommodation who have space to add an extension. If there were grants to provide these extensions, the people concerned would be taken off the housing list.

Local authorities have to be able to engage with people before they become homeless, not when they are homeless and in crisis. The rent certainty introduced has been welcomed by those working with the homeless. If it had been provided overnight without much debate or discussion by way of emergency legislation, landlords would not have had the opportunity to increase their rents. There was a crisis this time last year and it is still a crisis, but it is not being acknowledged for what it is.

Minister of State at the Department of the Environment, Community and Local Government (Deputy Paudie Coffey): I thank all Members for their contributions to the debate. As my colleague, the Minister, Deputy Alan Kelly, outlined in his opening statement last night, housing and homelessness are top priorities for the Government. Ultimately, a lack of supply is at the heart of the problems we face. The Government has brought forward a suite of policies to increase the supply of all forms of housing; provided €1.7 billion in successive budgets and introduced policies to stabilise the rental market while supply ramps up. Perhaps I might correct the record in respect of some misinformation given by Deputy Joan Collins who stated the Government's target was to deliver 200 units next year. In fact, more than 200 multi-unit projects have already been approved and are under way around the country and more will be approved in the coming weeks.

We are working across government to ensure the vision of every household to have access to secure, good quality, affordable housing is delivered. Funding is not the issue. The Government is providing the funding needed and the challenge is to deliver housing units across the various forms.

For the information of the House, I recently met ministerial colleagues from Wales, Scotland, Northern Ireland and England who face the same challenges and problems as we do. We are sharing experiences. They are taking on board some of the initiatives we are introducing to maximise the supply of new housing units.

The €70 million budget secured for homelessness services next year represents an increase of 32% on the 2015 allocation of €53 million and a 55.5% increase on the 2014 allocation of €45 million. The delivery of 500 units of modular housing for homeless families across Dublin in the next few months will also make a real and tangible difference for people who currently have inappropriate commercial hotel arrangements. It will also allow better access to support services. I acknowledge the work of the Dublin Homeless Executive which has managed to assist more than 730 families to exit homelessness in the past year. However, we still need to do more. In the short term we are turning around thousands of voids per annum. This was not done in recent years. We are approving direct acquisitions by local authorities and approved housing bodies and leasing housing units. This is the fastest way to deliver units to home families. In the medium to long term we are approving the capital programmes in the various

local authorities. As the Minister outlined last night, measures have been taken to stabilise the private rental market. I do not intend to go over them again, except to say they will strengthen and sustain tenancies.

The Government recognises its key role in the provision of social housing and has returned the State to a central position in supply through the social housing strategy. In this regard, it recognises the need for a significant increase in the market housing. There are some positive indicators of activity, with a significant number of planning applications going through the system. For example, at the end of quarter two in 2015, planning permissions were granted for more than 3,000 new homes, an increase of 87% on the figure for the same period last year. Converting these permissions into starts and ramping up further to reach the 25,000 per annum unit requirement represent the challenge for the construction sector leaders. The Government has clearly signalled its determination to see a strong supply of development land and housing being provided to meet demand. This Government has put in place a multifaceted set of responses to deal with the breadth of issues we face. These include a funding commitment of €1.7 billion in successive budgets; a €2.9 billion capital commitment to 2021; an overall commitment to deliver the social housing strategy by 2020 at a total cost of nearly €4 billion in capital and current funding; 300 additional housing staff in local authorities and rising; €500 million in allocations to local authorities and approved housing bodies for the construction and acquisition of over 2,900 units out to 2017; €91 million worth of housing investment across a range of housing schemes to bring vacant social housing units back into productive use; 2,500 voids delivered in 2014 and another 2,500 projected for completion this year; €70 million for homeless services in 2016; and 500 planned modular homes. This is a comprehensive response from Government. Houses cannot be built overnight but we are putting in place every measure to deliver as many houses as possible as soon as possible.

This debate will continue. It is important that we continue to debate the issues around housing but please be assured that this Government is treating it as a top priority. We have secured the funding and it is now down to delivery across the various facets.

Deputy Richard Boyd Barrett: The time for spoof, big announcements that translate into nothing and chatter about this emergency in this House is over. The main thing I wish to say is that people need to get out on to the streets on 1 December 2015 for a national demonstration to address the housing and homelessness emergency. The demonstration will assemble on Grafton Street at 5 p.m. and will march to the Dáil. That day is the anniversary of the tragic and unnecessary death of Jonathan Corrie, a homeless man who died just metres away from the front of this building. Since his tragic death, the homelessness and housing emergency that the Government has presided over and allowed to worsen has worsened on a daily basis. The time for talk is over and the time to mobilise is now. It is the only language the Government seems to understand and it is the only thing that forces any kind of movement from it. I urge the 130,000 families on the housing list, over 100,000 people in mortgage distress, the thousands of students who cannot find any or suitable accommodation and the Traveller community of this country which has been let down despicably in terms of Traveller accommodation to come out onto the streets, demand action and surround this building until the Government is forced to take meaningful action to address the housing crisis.

I find it nauseating that in order to cover its failure on this issue, the Government now tries to pin the blame on local authorities and suggest that it has given them the resources but they have not got their act together in terms of providing housing. The fact is that in July 2011, months after the Government took office, it sent out a circular to every local authority announcing that

there would be no more direct construction of council housing for the foreseeable future. That is why they did not make any plans. It was because the Government told them there would be no more council houses. The Government spelled out in that document how it was going to outsource the provision of social housing to the private sector, which is what it has done. That is what the agenda has been - to privatise the housing market completely. Fianna Fáil did it by 70% to 80% and the Government decided to carry on and complete the job by handing it over. Everything it has done since has compounded this crisis from that first circular in the first few months of its tenure.

That was followed by the Minister for Social Protection cutting rent allowance and claiming ridiculously at the time in the face of protests from this side of the Chamber that it would lead to rents going down. The Government should be sacked for that one piece of incompetence - for claiming that cutting rent allowance would lead to rents going down when it had exactly the opposite effect. It led directly to thousands of people being put into emergency services.

This was compounded by the fact that the Government sold off all of the NAMA properties - tens of thousands of properties - to property vultures. Of course, all of this was directed towards improving the balance sheets of the banks because they were holding the property so the Government could sell it off to these vultures who could monopolise the market, jack up rents and put people who could not pay the inflated rents out on the streets. That is what the whole thing is about. The Taoiseach gave the game away. When we asked for real rent controls rather than Mickey Mouse rent controls, he said that the Government was not going to interfere with the market. That is what he said - we do not want to interfere with the market. That has been the obstacle.

What we need is tens of thousands of council houses, not leasing and not looking to developers. We were building 90,000 houses in this State at the height of the building boom - sadly for profit and not for people. If we could do that then, the Government can certainly build 10,000 or 15,000 council houses in a year. It will not do it because it does not want to interfere with the interests of the developers.

I will finish with the case of Dún Laoghaire. While the Minister is chatting away to the Minister of State, 490 people presented as homeless in October in Dún Laoghaire. This year, Dún Laoghaire-Rathdown County Council delivered zero council houses and next year, it will deliver 34 but 1,600 people joined the list in that time. The Minister's plans are a joke.

Deputy Joe Higgins: I welcome to the Dáil residents of the greater Dublin area who have been campaigning for housing accommodation for themselves and people generally who are in urgent need of a home. This includes some who are actually facing the horror of eviction in the next week. This history of the Irish State has been characterised by an economically weak capitalist class that was utterly incapable of developing a modern economy to meet the needs of the State's population hence the tragedy of mass emigration in every decade. This failure forced various Governments, albeit those composed of right-wing political parties, to mobilise State resources in public investment to construct significant enterprises such as the Electricity Supply Board, peat production and sugar beet industries creating thousands of jobs and services and publicly funded home building on a wide scale.

In the modern era, we have had a catastrophic implosion of Irish capitalism - first splurging on an orgy of anti-social and parasitic speculation and profiteering in a property bubble and then inevitably crashing ignominiously into chaos. What do the present-day political directors of the

State do? Fianna Fáil, the Green Party, Fine Gael and Labour wade in to bail out the perpetrators of the crisis at the cost of immense suffering and a disaster for the innocent victims of the crash, none more so than homeless families and individuals and over 100,000 families on local authority housing waiting lists. Incredibly, the Labour Party Minister for the Environment, Community and Local Government, in view of the catastrophe wrought by private speculators, developers and the banks and the catastrophic failure of the same class over the seven years of austerity since the crash they caused to make any contribution to resolving the housing crisis, came into Dáil Éireann last night and said:

While policies have been brought forward through recent legislation and again more recently through the Government's decisions on housing supply, it is now the market that must respond to meet the demand and deliver double the current output of 12,000 houses per year. This is a significant challenge for the construction industry, given all that has happened in the past decade.

It defies belief that the Minister again comes in and wants to involve the market that has palpably failed. It is the market whose profiteering caused the crisis in the first instance that must respond. A huge majority of the 110,000 houses promised in the Social Housing Strategy 2020 are in the form of private rented accommodation sending those in need of a home into the arms of private landlords.

9 o'clock

It was the logic of the market that led this Government most shamefully to allow NAMA, a State agency, give in to the clutches of capitalist vulture funds, thousands and thousands of units of accommodation that should have been taken into public ownership. Vulture funds are carpet baggers roaming the globe to pick over the carcasses of the economic victims created by the greed of the system they epitomise. That is who the Irish Government is looking to in this crisis.

The market will not supply the homes that are desperately needed by our people. The Government should declare a national housing emergency forthwith; mobilise the local authorities with State funding to build tens of thousands of homes to provide for the people on the lists; mobilise the banking system in public ownership and publicly owned major construction companies to build tens of thousands of affordable homes to be sold to middle and low income workers. These and other measures, which we have outlined in our motion, are crucial and the only way to resolve the crisis. On 1 December people should mobilise in Dublin with the organisations fighting the homelessness crisis and mobilise to kick out the political parties of austerity responsible for this crisis in the forthcoming general election and put in place an alternative policy to the disaster it has caused.

Deputy Ruth Coppinger: I too welcome people affected by the housing emergency to the Gallery. I welcome the Minister for the Environment, Community and Local Government, who came into the Chamber recently. I hope he can stay off his phone and stop his conversation with the junior Minister for long enough to give due respect to the people here and to us.

Some of the contributions from the Government side were embarrassing. The Minister said yesterday that houses do not appear by magic but it would seem they do in Dublin West because the Minister for Social Protection, Deputy Burton, was able to conjure up 44 social houses yesterday in Waterville. Nobody else had heard about them. No other public representative was

told about them and she did this because protest works. People should take heed. In Dublin West we have made housing an absolutely central issue. We have organised public meetings, occupations of NAMA houses and made it an imperative for the Minister to find social housing. I encourage everybody to take part in the protest on 1 December at 5 p.m.

The Minister also asked why the Anti-Austerity Alliance did not allocate 50% of housing when we sat on councils. We were never in power and a homeless person was a rarity when I was on a council, now that is an everyday occurrence. The Government's line is that there is no quick fix. Somebody even said there might be pyrite if houses are built too quickly. If houses are built any slower we will see more and more people lying on the streets.

Houses are being built. In Dublin West there are two NAMA estates, one, Diswellstown Manor, has planning permission for 225 houses; a three-bedroom house is for sale for €395,000, a four-bedroom house for €480,000, and the Minister tells us they are starter homes. He and the Taoiseach have had the cheek to say NAMA will resolve homelessness. It will be lucky if 10%, 25, of those homes are allocated to people on the list. The same is true of Hamilton Park, a three-bedroom house costs a minimum of €395,000. Not too many of the people sitting in the Gallery will be able to muster a 10% deposit of €39,500 after paying their monthly rent of €1,500. What will the Minister do about that? He says that our proposals are unconstitutional. Where? If they are, amend the Constitution. Why is homelessness, people living in hostels and hotels all right?

The key points of our motion are that we call for an emergency to be declared because if it is not declared, the emergency measures needed will never be taken. We call for an audit of all vacant houses in the country to find out who owns them, can they be acquired and how they can be used. The Government should ban economic evictions and repossessions, allowed by AIB, which the State controls. It should allocate NAMA hotel rooms, one-eighth of all hotel rooms, to homeless people, refurbish them, make them habitable for families, with proper cooking facilities and so on. It should introduce real rent controls linked to inflation and backdated to 2011 when rents were at their lowest. It should acquire buy-to-let properties that are in danger of being repossessed. That would increase the Government's housing stock. We should build social and affordable housing on a major scale for rent or purchase. That can be done by changing NAMA's brief. The biggest construction operation on the planet exists here in Ireland. Instead of being a nurse for the developers to get them back on their feet it could be turned into an agency for the building of social and affordable housing. NAMA has massive cash reserves. We do not have to look too far for the money. It has €4 billion from overseas sales and €3 billion set aside for development. That could build 70,000 houses if the Government used the land NAMA already has, at an estimated €100,000 per house. A total of €2 billion could be taken from the Strategic Investment Fund. Rents and other mortgage payments could come in to repay that money if the Government used it. We could tax wealth and corporations that have more wealth than entire countries. Instead of taking a case alongside Apple, the biggest company on the planet, we could agree that it should pay its tax of €17 billion. That would build a lot of houses and would give the Government a fund to build social and affordable housing.

I am glad the Minister has stopped talking just when I have stopped. His arrogance is beyond belief.

Deputy Alan Kelly: Ditto.

Amendment put:

<i>The Dáil divided: Tá, 67; Níl, 40.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Barry, Tom.</i>	<i>Adams, Gerry.</i>
<i>Bruton, Richard.</i>	<i>Aylward, Bobby.</i>
<i>Butler, Ray.</i>	<i>Boyd Barrett, Richard.</i>
<i>Buttimer, Jerry.</i>	<i>Broughan, Thomas P.</i>
<i>Byrne, Catherine.</i>	<i>Browne, John.</i>
<i>Byrne, Eric.</i>	<i>Calleary, Dara.</i>
<i>Cannon, Ciarán.</i>	<i>Collins, Joan.</i>
<i>Carey, Joe.</i>	<i>Collins, Niall.</i>
<i>Coffey, Paudie.</i>	<i>Colreavy, Michael.</i>
<i>Collins, Áine.</i>	<i>Coppinger, Ruth.</i>
<i>Conaghan, Michael.</i>	<i>Cowen, Barry.</i>
<i>Conlan, Seán.</i>	<i>Daly, Clare.</i>
<i>Connaughton, Paul J.</i>	<i>Doherty, Pearse.</i>
<i>Conway, Ciara.</i>	<i>Ellis, Dessie.</i>
<i>Coonan, Noel.</i>	<i>Ferris, Martin.</i>
<i>Corcoran Kennedy, Marcella.</i>	<i>Fitzmaurice, Michael.</i>
<i>Creed, Michael.</i>	<i>Fleming, Tom.</i>
<i>Daly, Jim.</i>	<i>Grealish, Noel.</i>
<i>Deenihan, Jimmy.</i>	<i>Halligan, John.</i>
<i>Deering, Pat.</i>	<i>Healy, Seamus.</i>
<i>Dowds, Robert.</i>	<i>Higgins, Joe.</i>
<i>Doyle, Andrew.</i>	<i>Keaveney, Colm.</i>
<i>Durkan, Bernard J.</i>	<i>Kelleher, Billy.</i>
<i>Feighan, Frank.</i>	<i>Kitt, Michael P.</i>
<i>Griffin, Brendan.</i>	<i>Mac Lochlainn, Pádraig.</i>
<i>Harrington, Noel.</i>	<i>McGrath, Finian.</i>
<i>Harris, Simon.</i>	<i>McGrath, Mattie.</i>
<i>Howlin, Brendan.</i>	<i>McLellan, Sandra.</i>
<i>Humphreys, Kevin.</i>	<i>Mathews, Peter.</i>
<i>Keating, Derek.</i>	<i>Murphy, Catherine.</i>
<i>Kehoe, Paul.</i>	<i>Murphy, Paul.</i>
<i>Kelly, Alan.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Kyne, Seán.</i>	<i>Ó Cuív, Éamon.</i>
<i>Lawlor, Anthony.</i>	<i>O'Brien, Jonathan.</i>
<i>Lynch, Ciarán.</i>	<i>O'Sullivan, Maureen.</i>
<i>Lynch, Kathleen.</i>	<i>Pringle, Thomas.</i>
<i>Lyons, John.</i>	<i>Smith, Brendan.</i>
<i>McCarthy, Michael.</i>	<i>Stanley, Brian.</i>
<i>McEntee, Helen.</i>	<i>Tóibín, Peadar.</i>
<i>McFadden, Gabrielle.</i>	<i>Wallace, Mick.</i>
<i>McGinley, Dinny.</i>	

18 November 2015

<i>McLoughlin, Tony.</i>	
<i>Mulherin, Michelle.</i>	
<i>Murphy, Eoghan.</i>	
<i>Nash, Gerald.</i>	
<i>Neville, Dan.</i>	
<i>Nolan, Derek.</i>	
<i>Noonan, Michael.</i>	
<i>Ó Riordáin, Aodhán.</i>	
<i>O'Donnell, Kieran.</i>	
<i>O'Donovan, Patrick.</i>	
<i>O'Dowd, Fergus.</i>	
<i>O'Mahony, John.</i>	
<i>O'Reilly, Joe.</i>	
<i>Perry, John.</i>	
<i>Phelan, Ann.</i>	
<i>Phelan, John Paul.</i>	
<i>Reilly, James.</i>	
<i>Ring, Michael.</i>	
<i>Ryan, Brendan.</i>	
<i>Sherlock, Sean.</i>	
<i>Spring, Arthur.</i>	
<i>Stagg, Emmet.</i>	
<i>Stanton, David.</i>	
<i>Tuffy, Joanna.</i>	
<i>Twomey, Liam.</i>	
<i>Wall, Jack.</i>	

Tellers: Tá, Deputies Paul Kehoe and Emmet Stagg; Níl, Deputies Ruth Coppinger and Paul Murphy.

Amendment declared carried.

Question put: "That the motion, as amended, be agreed to."

<i>The Dáil divided: Tá, 67; Níl, 41.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Barry, Tom.</i>	<i>Adams, Gerry.</i>
<i>Bruton, Richard.</i>	<i>Aylward, Bobby.</i>
<i>Butler, Ray.</i>	<i>Boyd Barrett, Richard.</i>
<i>Buttimer, Jerry.</i>	<i>Broughan, Thomas P.</i>

<i>Byrne, Catherine.</i>	<i>Browne, John.</i>
<i>Byrne, Eric.</i>	<i>Calleary, Dara.</i>
<i>Cannon, Ciarán.</i>	<i>Collins, Joan.</i>
<i>Carey, Joe.</i>	<i>Collins, Niall.</i>
<i>Coffey, Paudie.</i>	<i>Colreavy, Michael.</i>
<i>Collins, Áine.</i>	<i>Coppinger, Ruth.</i>
<i>Conaghan, Michael.</i>	<i>Cowen, Barry.</i>
<i>Conlan, Seán.</i>	<i>Daly, Clare.</i>
<i>Connaughton, Paul J.</i>	<i>Doherty, Pearse.</i>
<i>Conway, Ciara.</i>	<i>Ellis, Dessie.</i>
<i>Coonan, Noel.</i>	<i>Ferris, Martin.</i>
<i>Corcoran Kennedy, Marcella.</i>	<i>Fitzmaurice, Michael.</i>
<i>Creed, Michael.</i>	<i>Fleming, Tom.</i>
<i>Daly, Jim.</i>	<i>Grealish, Noel.</i>
<i>Deenihan, Jimmy.</i>	<i>Halligan, John.</i>
<i>Deering, Pat.</i>	<i>Healy, Seamus.</i>
<i>Dowds, Robert.</i>	<i>Higgins, Joe.</i>
<i>Doyle, Andrew.</i>	<i>Keaveney, Colm.</i>
<i>Durkan, Bernard J.</i>	<i>Kelleher, Billy.</i>
<i>Feighan, Frank.</i>	<i>Kitt, Michael P.</i>
<i>Griffin, Brendan.</i>	<i>Mac Lochlainn, Pádraig.</i>
<i>Harrington, Noel.</i>	<i>McGrath, Finian.</i>
<i>Harris, Simon.</i>	<i>McGrath, Mattie.</i>
<i>Howlin, Brendan.</i>	<i>McLellan, Sandra.</i>
<i>Humphreys, Kevin.</i>	<i>Mathews, Peter.</i>
<i>Keating, Derek.</i>	<i>Murphy, Catherine.</i>
<i>Kehoe, Paul.</i>	<i>Murphy, Paul.</i>
<i>Kelly, Alan.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Kyne, Seán.</i>	<i>Ó Cuív, Éamon.</i>
<i>Lawlor, Anthony.</i>	<i>Ó Snodaigh, Aengus.</i>
<i>Lynch, Ciarán.</i>	<i>O'Brien, Jonathan.</i>
<i>Lynch, Kathleen.</i>	<i>O'Sullivan, Maureen.</i>
<i>Lyons, John.</i>	<i>Pringle, Thomas.</i>
<i>McCarthy, Michael.</i>	<i>Smith, Brendan.</i>
<i>McEntee, Helen.</i>	<i>Stanley, Brian.</i>
<i>McFadden, Gabrielle.</i>	<i>Tóibín, Peadar.</i>
<i>McGinley, Dinny.</i>	<i>Wallace, Mick.</i>
<i>McLoughlin, Tony.</i>	
<i>Mulherin, Michelle.</i>	
<i>Murphy, Eoghan.</i>	
<i>Nash, Gerald.</i>	
<i>Neville, Dan.</i>	
<i>Nolan, Derek.</i>	

<i>Noonan, Michael.</i>	
<i>Ó Ríordáin, Aodhán.</i>	
<i>O'Donnell, Kieran.</i>	
<i>O'Donovan, Patrick.</i>	
<i>O'Dowd, Fergus.</i>	
<i>O'Mahony, John.</i>	
<i>O'Reilly, Joe.</i>	
<i>Perry, John.</i>	
<i>Phelan, Ann.</i>	
<i>Phelan, John Paul.</i>	
<i>Reilly, James.</i>	
<i>Ring, Michael.</i>	
<i>Ryan, Brendan.</i>	
<i>Sherlock, Sean.</i>	
<i>Spring, Arthur.</i>	
<i>Stagg, Emmet.</i>	
<i>Stanton, David.</i>	
<i>Tuffy, Joanna.</i>	
<i>Twomey, Liam.</i>	
<i>Wall, Jack.</i>	

Tellers: Tá, Deputies Paul Kehoe and Emmet Stagg; Níl, Deputies Ruth Coppinger and Joe Higgins.

Question declared carried.

Equality (Miscellaneous Provisions) Bill 2013 [Seanad]: Second Stage (Resumed)

Question again proposed: "That the Bill be now read a Second Time."

Acting Chairman (Deputy Joe O'Reilly): I call Deputy Spring who is sharing time with Deputy Buttimer.

Deputy Arthur Spring: I compliment those who initiated this amending legislation, the Minister of State, Deputy Ó Ríordáin, and Deputies Conway and Lyons. They made me aware of something I could not even believe existed in society in this day and age. We come here as people who are supposed to know everything about all aspects of society. We seem to be living in an era where equality has not quite yet been achieved. Parts of the Bill will bring about a transformation for people working in public sector jobs in the State, particularly in education and health.

This is a good day for those who are divorced, LGBT or what would not be mainstream in certain religious orders. I welcome it but I also welcome something else contained in the Bill.

Stigmas get attached in society and one of them is around rent allowance. It is a fact that it is mentioned by landlords who advertise accommodation, which more often than not is so hard to come by in this city, who state that rent allowance is not accepted as if one form of money is not as good as another form of money. It is as if there is a fear of people who are in receipt of rent allowance. It is a prejudice in society that has no origins in any republic that values everybody equally. I am of the firm belief that we must do everything we can in the event that somebody has lost their home through bankruptcy, the collapse of a business, the loss of a job or for whatever reason that gives rise to a person being in need of rent allowance. This is a very good step.

I say to the Minister of State, Deputy Ó Ríordáin, that this is a wonderful thing and it shows the value of the Labour Party in government. It shows why we are here and why we are different. No other party or individual in this House came forward with this amending legislation. It shows there is a level of knowledge among the younger members in the Labour Party and a willingness to work towards something that is meaningful not for a majority of people but for a minority and that will work for their families as well.

I suggest that we could make some more progress in terms of equality. We must also look at the next big issue, namely, migration. My view is that we are heading towards full employment in the next 18 months and we must have regionalisation, equality within the country as well. I come from Kerry and the people of Kerry need jobs. It is not all about Dublin. There is another form of equality we must consider.

Deputy Jerry Buttimer: In congratulating the Minister of State, Deputy Aodhán Ó Ríordáin, and in particular Deputy Lyons for another momentous occasion in the Oireachtas, it is important that we pay tribute to the LGBT group of the INTO and to GLEN and others for bringing about this significant change.

As a schoolteacher, I am one of the people who would have been affected had we not made this change. This is not just about the quality of life of people like me but, as was alluded to by the Minister of State and the Minister for Education and Skills, Deputy Jan O'Sullivan, in her speech, it is about the other people - the invisible people who were afraid for their own reasons to put their head above the parapet and to be that voice. However, they did articulate it through the INTO's LGBT group in order to make this change happen. That is why it is important that not alone do we cast aside the chill factor but we open the window to a new and different Ireland. The year 2015 will be remembered by those of us in the minority as the year when the majority accepted and embraced us. That is why this Government, irrespective of a particular viewpoint, brought about change with the Irish people. Deputy Spring referred to a particular party in government but I would prefer to say it is the body politic coming together to bring about change, irrespective of our ideologies and views.

Deputy Arthur Spring: The next leader, Jerry.

Deputy Jerry Buttimer: Today we stand on the brink of a new Ireland where people are equal as citizens. That did not just happen by chance. I pay tribute to people such as former Senator, Joe O'Toole, a former general secretary, John Carr, and others in the INTO who have led the campaign to bring about this change. I agree with Deputy Spring that leaders are required to bring about change. The Minister of State, Deputy Ó Ríordáin, and the Minister, Deputy Fitzgerald, in government are those leaders who propelled and brought this vehicle of legislative change to the floor of the House. Let us cast our minds back to what happened this year; we had the referendum on marriage equality, the Gender Recognition Bill, and the amend-

ment of section 37 of the Employment Equality Act, all momentous achievements, along with the Children and Family Relationships Act. They are momentous legacies that we in this House can leave behind, no matter who we are. That is why it is important when we reflect on where we are coming from and where we go to that it is about the type of Ireland we want to see for emigrants and those who live in this country. Those of us who had the luxury of being able to come out and to be able to live a full life are grateful to those who left but who encouraged us.

I have many friends who left this country not because they wanted to but because they could not live a free and open life here. Today, another chapter has been written in a different type of Ireland and that is why it is important to commend those who have worked so hard to bring the change set out in this piece of legislation to the House. I commend the Minister of State on the work he has done.

Deputy Niall Collins: As a republican party, a commitment to fighting discrimination in all forms is a core value for us in Fianna Fáil and we support the principle behind this Bill whose central provision is to amend section 37 of the 1998 Employment Equality Act. At present, this section allows schools to discriminate against LGBT teachers on the grounds that it is against the ethos of the school. In 2012 Fianna Fáil published its own Employment Equality (Amendment) Bill which also sought to amend section 37 of the 1998 Act to ensure that schools would no longer be allowed to discriminate against gay, lesbian and bisexual teachers.

We believe this exemption under the 1998 Employment Equality Act needs to be amended to ensure no teacher is discriminated against on the grounds of his or her sexuality. While the current exemption clause in employment legislation for religious institutions is rarely if ever used, the need to amend the law is important as it will finally end the chill effect experienced by gay employees working in schools, hospitals and other institutions which have a religious ethos. While some feel the provisions in the Bill on section 37 do not go far enough, we accept the Government is getting legal advice to the effect that this Bill is as far as it can go under the Constitution. It is a first step in the right direction and we will wholeheartedly support the Bill. However, there continues to be concerns for employees in private institutions and we will table amendments on Committee Stage in that regard. This is a complex area where the rights and freedoms of various groups are competing with each other and it is essential that we strike the right balance.

Fianna Fáil has a strong record in equality legislation in this country. Máire Geoghegan-Quinn, as Minister for Justice, introduced the legislation which decriminalised homosexual acts in 1993. In subsequent Governments, we introduced the Employment Equality Act 1998 and the Human Rights Commission Act 2000. We enacted the Civil Partnership Act and campaigned for marriage equality in the recent referendum. In May 2012, Fianna Fáil introduced legislation to prevent schools and hospitals from being able to discriminate against gay, lesbian and bisexual staff. The Government voted down the Bill after then Minister for Justice and Equality, Deputy Alan Shatter, said he was unsure if the Bill would be able to pass “constitutional muster”.

It is proposed to amend section 37(1) of the 1998 Act to ensure that schools will no longer be permitted to treat staff or potential staff differently simply because of their sexual orientation or marital or civil status. In addition to protecting LGBT teachers, our 2012 Bill also sought to prevent discrimination against teachers who are separated, divorced or unmarried with children. It also aimed to protect such employees in other sectors, such as in hospitals under religious management.

Under our 2012 Bill, schools and hospitals would still be entitled to insist that staff members demonstrate respect towards the ethos in the workplace and not actively seek to undermine it but they would not be able to dismiss or discriminate against conscientious employees just because they did not approve of their lifestyle. Religious institutions would still be allowed to require that staff uphold the religious ethos of the institution. In doing so, we proposed that religious bodies would still be permitted to require certain standards of behaviour and adherence to and promotion of their particular ethos. In that sense, the religious institutions may still require loyalty to their ethos and insist that staff members do not take steps to undermine that ethos. In doing so, however, the institutions in question would not be permitted to treat staff members differently simply because the staff member is gay, lesbian or bisexual or because the person is or is not married, in a civil partnership, divorced, separated or widowed. Thus a staff member could still be required to demonstrate respect towards the ethos and not actively seek to undermine that ethos, but could not be penalised simply because of his or her sexual orientation.

Under equality legislation, it is illegal for an employer to discriminate against an employee or potential employee on grounds including gender, civil status, family status and sexual orientation. However, section 37(1) of the Act provides an exemption for religious, educational or medical institutions under the direction or control of a body established for religious purposes. It is widely considered that this section could be used to justify discrimination against an employee simply because he or she is lesbian, gay, bisexual, transgender, separated, divorced, cohabiting outside marriage or an unmarried mother. Some people state this is a hypothetical problem and question whether such discrimination, even though it is legal, could take place. However, Members are aware it has taken place.

I wish to make a few comments on some of the existing challenges. The Gay and Lesbian Equality Network, GLEN, and the teacher unions believe section 37(1) of the Employment Equality Act is causing real problems for lesbian, gay, bisexual and transgender, LGBT, teachers. GLEN states that as a result of this provision, employees or prospective employees, whose lives may possibly be interpreted to be contrary to the religious ethos of some faiths, have lived in fear for their jobs and their prospects within employment. Members have heard some speakers in the debate earlier this evening give their own personal accounts to verify this point. GLEN acknowledges that no case has been taken under the Act but points out it serves as a daily chill factor for LGBT teachers. Employees and potential employees of religious-run hospitals are in the same position. Dr. Leslie Hannon of Gay Doctors Ireland stated, “the weight of laws like these impress upon gay doctors the type of self-censorship and ‘discretion’ that enable and propagate homophobia in general, simply because they serve to downsize us and make us invisible”. This is a fairly strong comment that speaks for itself.

Other speakers have mentioned the track records of their own political parties in this Dáil and previous Dáileanna with regard to the types of issues under discussion this evening. In this context, I will restate my party’s position on a number of legislative items that have been enacted over the years. Fianna Fáil in government enacted the Prohibition of Incitement to Hatred Act 1989 and the principle subsequently was extended into the area of broadcasting to further copper-fasten protection against the proliferation of hateful material. As I mentioned previously, the decriminalisation of homosexuality in 1993 was pioneered by the then Minister for Justice, Máire Geoghegan-Quinn. It is noteworthy that around that time, in May 1993, the *Sunday Press* published an opinion poll indicating that 50% of people were opposed to a change in the law and some conservative groups mounted a vocal opposition to what they described as “teenage buggery”. Many Members will remember that at the time, this was the type of op-

position mounted against the legislation by some campaigning groups but that legislation was enacted, and rightly so.

As Members are aware, the Employment Equality Act 1998 contains the issue they are addressing this evening. However, that Act, which brought in measures to prevent discrimination in employment on grounds of sexual orientation, has provided much that is positive to society. Similarly, Fianna Fáil initiated the Equal Status Act 2000 and civil partnership legislation in 2010. Moreover, my party was happy to support the marriage equality referendum and was to the forefront, along with all the other political parties in this House, in ensuring the passage of that momentous referendum.

Deputy Pádraig Mac Lochlainn: This Bill introduces a number of welcome provisions to existing legislation. Sinn Féin welcomes in particular the move to end discrimination with regard to rent supplement and the restrictions placed on interpreting of section 37(1) of the Employment Equality Act 1998. As for the amendment of section 37 of the Act of 1998, Sinn Féin welcomes the attempt to ensure the language of the Bill establishes that what happens in somebody's private life cannot be used by religious-run workplaces to exploit any exemption to discrimination law in regard to undermining the ethos of that workplace. I listened to a number of previous speakers who outlined examples of the impact of this ongoing injustice, and I welcome this legislation to bring an end to it. On foot of the passing of the marriage referendum, a number of matters are of powerful importance to the LGBT community. Hopefully, it will remove homophobia from the classroom and workplace and will prevent the chilling effect mentioned by the Minister of State, Deputy Ó Ríordáin, in introducing this debate.

In addition, as the Minister of State is aware, the work for equality continues for the LGBT community and organisations such as GLEN must be resourced. It is necessary to embolden and embed the progress made and it is necessary to be able to support in the schools young people who are lesbian, gay, bisexual and transsexual. Members must ensure there is no toleration for prejudice and there is no doubt but that a significant minority of people here still hold a degree of prejudice towards the LGBT community. Consequently, the work continues and organisations that work for LGBT equality must be provided with resources. This is an issue I will raise with the Minister of State in greater detail at a separate time. However, the work of equality continues and great progress has been made. I commend the Minister of State on this Bill and commend the Government on the marriage equality referendum. I also commend the Yes Equality campaign on the campaigning on the ground but while significant progress has been made, which must be welcomed, there is more to be done.

On the question of rent supplement, I welcome the fact that the Minister of State has taken the opportunity afforded by this miscellaneous Bill to deal with this important issue. One cannot tolerate what is happening across the State, whereby landlords are refusing tenants who must rely on rent supplement. That is not a republic or a state that has solidarity for all people. Members cannot tolerate it. Again, I welcome the provision in respect of discrimination in the advertising of jobs and it is right and welcome that the individual concerned should be able to make the complaint, rather than the Irish Human Rights and Equality Commission, IHREC. As for the retirement age issues, while Sinn Féin also welcomes the amendments, although there may be some challenges in that some employers may be reluctant to offer fixed-term contracts. Nevertheless, Sinn Féin supports it because it is the right thing to do and must be addressed.

This brings me to a huge issue because when one speaks of equality, this subject goes to the core. Most parliamentarians in these Houses regard themselves as republicans and adhere

to the principles of equality. This means the issue of equality for disabled citizens must be addressed. While I rightly give credit to the Government on a range of issues, particularly LGBT equality, and in respect of the Minister of State's own campaigning on the issue of Travellers' rights equality, more must be done on disability rights. At present, 600,000 people with a disability live in this State. In the Six Counties, the rights of persons with disabilities have been recognised since 2008 on foot of ratification of the UN Convention on the Rights of Persons with Disabilities. However, a man in Dundalk is not treated in the same equitable fashion as his sister in Newry, as she has the full protection of the convention. While there are some difficulties with the administration of the aforementioned convention, an oversight body is working actively with Members' colleagues in the Six Counties on ways to improve its application. In the Six Counties, the convention operates, rights are clear and the task is to apply those rights and hold to task employers and State agencies for failing to uphold clear enumerated obligations.

By contrast, citizens in this State with disabilities who reside in this jurisdiction live in an uncertain situation. The most they can do to clarify their particular situation is to consult the roadmap to ratification of the convention issued by the Minister of State's Department. I acknowledge the Minister of State, Deputy Kathleen Lynch, is responsible for this area but as the Minister of State is aware, a number of Bills are before the House at present that seek to bring the Irish Legislature into accordance with the requirements of the convention. It is the Minister's argument that such legislative activity is necessary lest domestic legislation conflicts with the rights provided post-ratification. If one consults that roadmap, with what is a person with disability confronted? A small selection of actions illustrates the uncertainty. The roadmap declares it is intended to amend the Companies Act 2014 by the end of this year and it is expected that the mental health Bill will be published in 2016. In relation to Article 27(a), in respect of which a reservation is to be put forward, no specific date is given nor is the nature of that reservation. In relation to Articles 33(2) and 33(3) further consultations are to take place but, again, with no specific date in that regard. Notwithstanding the fact that this Government in its current configuration may not be in place after the upcoming election, thus rendering these promises meaningless, the roadmap is disheartening. It is the language of intentions, consultations and reservations. It is the language of ambiguity, of expectations and of promises. In short, it provides no concrete support to the hopes of people with disabilities to be treated as equal citizens in this State. Given the record of this Government in fulfilling its promises to the Irish people in relation to this matter, this is depressing.

As the Minister of State knows, the Good Friday Agreement officially acknowledged that the constitutional and other legal arrangements of the day were not sufficiently adequate to protect all human rights of the Irish people in both jurisdictions. Although the Government has said it agrees with what the convention outlines, it has not, during its almost five years in power, agreed to do what is outlined therein. Similarly, the previous Government negated to tackle the issue and honour its international obligations. I recognise that positive work has been done in regard to certain sectors of our citizenship but the rights of people with disabilities are not a priority for this Government nor were they a priority of the previous Government. In practice, the rights of people with disabilities must still be fought for given the uncertainty generated by non-ratification of the convention. Case law has outlined obligations that may arise by virtue of the EU ratification of the convention but, unfortunately, these obligations will not be clear until ratification is complete. In the meantime it may take a disabled citizen to embark on a personal action through the court system to claim those rights with which the Government has already said it agrees. This means the detail and extent of rights applicable to persons with disabilities is under judicial control, subject to judicial discretion and reliant on the advocacy of differing

counsel. This may be fine for legal analysts and the lawyering profession but it is not great for the wider Irish citizenship. What is needed is a comprehensive outline of the rights available to persons with disabilities. Citizens need to know and clearly understand their rights and not have to guess, or take a chance in a court action, to find out what they are. They should not need specialised legal knowledge and expertise to interpret the basic meaning of provisions.

I will condense my final points at this stage as I am conscious Deputy Clare Daly is waiting to make a contribution. We will commemorate the 100th anniversary of 1916 next year. Based on the manner in which we implement our responsibilities in this area, were Sean Mac Diarmada, a man with disabilities, alive today he would not be treated as equally on this island as were his cousins in Fermanagh. We need to do more on disability rights. This is a major issue that needs to be addressed. The provisions provided for in this legislation are positive and I support and commend them.

Deputy Clare Daly: I thank Deputy Mac Lochlainn for affording me an opportunity to contribute to this debate. It is unfortunate that we are discussing these issues at this late hour. I welcome that we are reviewing section 37 of the 1998 Act. When I saw the Minister of State, Deputy Ó Ríordáin, and his Labour Party back bench colleagues queuing up fresh faced to speak during the opening slot, I did not know whether to laugh or cry. If they think waving the flag of gay rights will save them from the carnage they are about to experience, they are wrong. Section 37 has been already addressed during the course of this Administration by Senator Averil Power, Deputy Jonathan O'Brien and by way of the Socialist Party's Bill which has already passed Second Stage and which is superior to what is before us tonight in relation to this issue. Let us be clear, this is not a revolutionary change. This legislation seeks only to undo a discriminatory provision which should never have been put in place. To be honest, it has taken too long to remove it.

It is important to put this legislation into perspective. In my view, it reflects a cherry picking in terms of equality. Deputy Mac Lochlainn is correct that the rights of disabled citizens are not being given the same attention. The rights of older citizens are also not being given the same attention. It is coincidental that we are discussing this issue on the same day as the Bill presented by the Minister of State's colleague, Deputy Anne Ferris, on the abolition of the mandatory and compulsory retirement age received a public hearing, which is a better proposition than what is before us. This is a miscellaneous provisions Bill which provides us with an opportunity to be all encompassing and include provisions in terms of equality if we were really serious about addressing it.

I would like to speak to the section 37 issue in the context of our schools. One would think this provision was a relic of a bygone age. It is shocking that it dates from less than 20 years ago in relation to, as has been said, the shocking judgment in the Eileen Flynn case, in which a school teacher was dismissed for having a child outside of marriage, following which it was enshrined in law that there was a lawful basis to discriminate against a person or his or her employer if a school's ethos was not being upheld, which meant gay people, lone parents, divorced people, atheist teachers and so on were subject to a chilling effect. It is ridiculous that it has taken us this long to tackle this issue, but we are not tackling it in the right way.

The root of this problem lies in the fact that 94% of primary schools in Ireland are Catholic run, more than half of which are in areas where there is no alternative model. It is shocking that situation prevails. It is a consequence of the Irish State farming out years ago responsibility for health, education and social care to the Catholic church. It is now farming out this responsibil-

ity to private companies, which is a little ironic. This is all about not looking at a rights based approach. We need to change how we look at this issue. When a similar debate took place in Britain in 2007, a country in which there is a lot of religious diversity, the scope of the exemption was scrutinised. It found that exemptions on ethos-based grounds could be used not only by organised religions but by all employers who have an ethos and, therefore, were contrary to existing law against discrimination. For example, when the Catholic adoption agencies in Britain attempted to use exemptions to lawfully refuse to place children with homosexual couples, it was ruled out of order on the basis that any employer attempting to use that exemption would lose access to State funding. This was enough to eliminate the discrimination in that regard.

Regardless of religion, children should have access to State-funded schools. In a poll conducted by *The Irish Times* last week, 85% of people who were asked the question, “Should religion play a part in school admissions?”, answered “No”. Children should be taught the school curriculum, including in relation to religions and religious beliefs but in an objective, critical and pluralistic manner, as per the European Convention on Human Rights. Faith formation or religious beliefs should be taught in the privacy of the child’s family or outside his or her school day by the religious organisation with which that family is involved.

Obviously teachers need to be treated in an equal manner. The current provision in the 1998 Act is reprehensible and needs to be changed. However, we are again looking at it the wrong way around. The exemptions are unnecessary in institutions as they give powers to discrimination that is not in line with a modern nation that aspires to pluralism. We need to consider different ways of doing things. For example, in terms of the nature of the exemptions in Britain and the different approach taken there, wide powers are not given to the NHS or state schools to protect any religious ethos. Generally, they are put forward in a spirit of accommodating religious liberty. For example, a Sikh might be exempted from wearing a safety hat on a construction site or Jews and Muslims would be exempt from rules in relation to animal slaughter practices. Britain’s exemptions are provided from that stand-point, which I believe is better.

Everybody needs access to schools and hospitals and they should not be the prerogative of a religious ethos. It is wrong that would happen. Religious belief should never interfere with a citizen’s right to health care or education and we need to stand that on its head.

Debate adjourned.

The Dáil adjourned at 10 p.m. until 9.30 a.m. on Thursday, 19 November 2015.