



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

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DÁIL ÉIREANN

Dé Céadaoin, 20 Aibreán 2016

Wednesday, 20 April 2016

Chuaigh an Ceann Comhairle i gceannas ar 10.30 a.m.

Paidir.

Prayer.

Business of Dáil

Minister of State at the Department of the Taoiseach (Deputy Paul Kehoe): It is proposed, notwithstanding anything in Standing Orders, that the following business shall be transacted today: No. 4, statements on health, and No. 5, statements on insurance costs. The proceedings in relation to No. 4 shall, if not previously concluded, be brought to a conclusion at 3 p.m. today and the following arrangements shall apply: the statement of a Minister or Minister of State and of the main spokespersons for Fianna Fáil, Sinn Féin, the Labour Party, AAA-PBP, Independents 4 Change, the Social Democrats and the Green Party, or a Member nominated in their stead, and a non-party Deputy shall not exceed ten minutes in each case, and such Members may share their time; the statement of each other Member called upon shall not exceed ten minutes in each case; and a Minister or Minister of State shall be called upon to make a statement in reply which shall not exceed five minutes. The proceedings in relation to No. 5 shall, if not previously concluded, be brought to a conclusion at 6.30 p.m. today and the following arrangements shall apply: the statement of a Minister or Minister of State and of the main spokespersons for Fianna Fáil, Sinn Féin, the Labour Party, AAA-PBP, Independents 4 Change, the Social Democrats and the Green Party, or a Member nominated in their stead, and a non-party Deputy shall not exceed ten minutes in each case, and such Members may share their time; the statement of each other Member called upon shall not exceed ten minutes in each case; and a Minister or Minister of State shall be called upon to make a statement in reply which shall not exceed five minutes.

Tomorrow, the Dáil shall sit at 10.30 a.m., and the only business to be transacted is No. 6, statements on EU-UK relations. The proceedings in relation to No. 6 shall, if not previously concluded, be brought to a conclusion at 6.30 p.m., and the following arrangements shall apply: the statement of the Taoiseach, the Tánaiste, and the leaders of Fianna Fáil, Sinn Féin, AAA-PBP, Independents 4 Change, the Social Democrats and the Green Party, or a Member nominated in their stead, shall not exceed ten minutes in each case, and such Members may share their time; the statement of a Minister or Minister of State and of the main spokespersons for Fianna Fáil, Sinn Féin, the Labour Party, AAA-PBP, Independents 4 Change, the Social Democrats and

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the Green Party, or a Member nominated in their stead, and a non-party Deputy shall not exceed 15 minutes in each case, and such Members may share their time; the statement of each other Member called upon shall not exceed ten minutes in each case; and a Minister or Minister of State shall be called upon to make a statement in reply which shall not exceed ten minutes. The Dáil on its rising tomorrow shall adjourn until Tuesday, 26 April 2016 at 2.30 p.m., and there shall be no Order of Business within the meaning of Standing Order 28; accordingly, the only business to be transacted shall be, by order, agreed on that day.

An Ceann Comhairle: Is the first proposal with regard to No. 4, statements on health, agreed to?

Deputy Gerry Adams: Not agreed. I want to move a motion to allow our business to be reordered today. For the past eight weeks we, as legislators, have been prevented by the caretaker Government from fulfilling our mandate. Despite the recent conversion to Dáil reform, we have been prevented from debating legislation. The Dáil, this Chamber, is not an arm of the Government; it is an independent legislator. Yet we can only debate matters at the whim of an acting Government that has no mandate but controls completely the way we do our business, or, as has been the case, the way we do not do our business.

A motion calling for the scrapping of water charges, which is supported by 33 Deputies, is listed on the Order Paper and has been cleared for debate, yet the Government has prevented this, despite direct appeals and requests from us to the Government to allow it to go ahead. I propose that motion No. 29 on the abolition of household water charges be debated and voted on today once the other business already scheduled has concluded. This Dáil has the right to pass laws and so can the current Seanad, which is in place until next week. There is nothing to prevent the Oireachtas from also debating and voting on emergency legislation to deal with the result of the High Court judgment yesterday on suspended sentences. We are being denied our right to debate matters that have been properly scheduled and cleared for debate but that the Government is preventing from being put on the schedule.

Deputy Richard Boyd Barrett: I also think it is unacceptable that, as the whole country is aware, Fianna Fáil and Fine Gael are currently debating the issue of water charges as part of the discussions on the formation of the Government because they fully understand that this is one of the key issues that produced the election result we just had. It is also one of the defining issues informing the discussions on the formation of the Government, but this House is not being allowed to discuss it.

As Deputy Adams mentioned, we have also signed the motion calling for a debate on water charges. The Government should allow this House to debate that issue particularly as Fianna Fáil and Fine Gael are now debating it. There are already some signs of the U-turn being the first issue on the agenda when it comes to water charges. This House should have the opportunity to put forward its views. While many issues are up for discussion on the formation of the Government, one thing seems to be absolutely not up for discussion. This House was mandated to get rid of water charges because more than 90 Deputies sitting here today are present because their manifestoes opposed water charges.

Deputy Billy Kelleher: We are not just a one-trick pony over here.

Deputy Richard Boyd Barrett: Indeed, but we have a clear mandate and at the very least we should be allowed to discuss it. Of course, it was very deliberate that the Government

prevented us from discussing it. Even though it was requested at the Whips meeting, the Government does not want to discuss this issue. However, this is the place where that discussion should happen. That is what democracy means. Democracy requires that a debate on the matter take place this week while the two main parties are cooking up a plan behind the scenes.

An Ceann Comhairle: I am afraid the motion as proposed is not in order. It is not in compliance with the terms of Standing Orders. There is only one proposal before us and that is the proposal for dealing with statements on health. Is the proposal agreed to?

Deputies: Agreed.

An Ceann Comhairle: Deputy Adams has objected to taking statements on health.

Deputy Gerry Adams: A Cheann Comhairle, on a point of order-----

An Ceann Comhairle: The Deputy cannot raise a point of order at this stage.

Deputy Gerry Adams: A Ceann Comhairle, I just want to make a request.

An Ceann Comhairle: It is not provided for.

Deputy Gerry Adams: I am appealing to the Taoiseach.

An Ceann Comhairle: The question is agreed if the Deputy is not calling for a vote. The question is agreed.

Deputies: Agreed.

Deputy Gerry Adams: It is not agreed.

Question, "That the proposal for dealing with statements on health be agreed to", put and declared carried.

An Ceann Comhairle: The question is agreed. Will the Deputy please resume his seat?

On No. 2-----

Deputy Pearse Doherty: The Ceann Comhairle has not declared the vote.

An Ceann Comhairle: Is the proposal for dealing with statements on insurance costs agreed to?

Deputy Aengus Ó Snodaigh: It is not agreed. I speak on the same basis as Deputy Adams just addressed the Dáil. It was interesting that the caretaker Government did not respond to the calls, not only prior to this sitting but also in this Chamber this morning, for a change to the order that has been put to allow for a debate on water charges.

On the event that occurred yesterday, the striking down by the courts of the current practice on sentencing, there has been no response and no indication whether today or tomorrow this Dáil will alter the current sequence. The only option we have is to oppose each of the proposals for debate. We are not saying we should not have these debates, but that we should extend the sitting to allow us to have a debate on the water charges and also the very serious issue that emerged in the courts yesterday.

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Deputy Timmy Dooley: Sinn Féin wanted to have a debate on health.

Deputy Aengus Ó Snodaigh: That is why we are opposed to the arrangements for this sitting. Deputy Dooley might not be aware of what happens in the courts because he lives in a bubble. If he kept quiet for a few minutes, however, he might understand what is going on in the world.

Deputy Timmy Dooley: Deputy Aengus Ó Snodaigh spent a fair bit of time in a bubble. He has spent more time in court than I have.

An Ceann Comhairle: We are dealing here with whether Members are for or against the proposal dealing with statements on insurance costs. It is my understanding, right or wrong, that these matters were agreed by the Whips as topics for discussion.

Deputy Catherine Murphy: I sought to have this item, insurance costs, placed on the Dáil agenda today because, obviously, it is having a very big impact on people. There are other pieces of business which are going to be critical in terms of timing. For example, there is an extension for the Cregan inquiry to the end of this month. I am told there can be no progress on the legislation concerning the issue of privilege and confidentiality until a Government is formed. I do not understand why that would be the case for exactly the same reasons as have been put. While we are waiting for that legislation, the cost of the Cregan inquiry is not on hold. In fact, it is adding to the cost every week. It just demonstrates another reason there is work that could be done here by the Dáil. For that reason, I think the points that have been made are very valid.

An Ceann Comhairle: I cannot call Deputy Barry as his party leader has already spoken. Does the Taoiseach care to comment briefly on some of the issues raised?

The Taoiseach: In respect of what Deputy Adams raised about the High Court judgment of 19 April and a constitutional challenge to section 99 - the power to suspend sentences - of the Criminal Justice Act 2006, as amended, this morning, the Department of Justice and Equality is in consultation with the Attorney General's office on the implications of yesterday's decision of the High Court. The High Court judgment delivered yesterday on a number of judicial review cases challenging the provision of section 99 has found subsections of that section to be unconstitutional. The implications of the judgment need to be carefully considered to ensure we can respond effectively. The necessary action will be taken quickly to address the issues raised by Mr. Justice Michael Moriarty's judgment. If necessary, amending legislation can be introduced into the House very quickly, if necessary within days, despite the fact we do not have the endorsement of a new Government.

Section 99 of the Criminal Justice Act, which enshrined in statute the power to suspend sentences for the first time, had a positive impact when it was introduced in 2006 by ensuring suspended sentences would be served in the event that a second triggering offence was committed. Prior to the introduction of the legislation, suspended sentences were handed down but were seldom reactivated and did not, therefore, act as a deterrent to repeat offenders. While indications are that this judgment will potentially have an impact on a limited number of cases where a suspended sentence was recently activated, it is important that the difficulties identified by the courts are addressed. I am confident this can be done. I have spoken to the Minister for Justice and Equality and the Attorney General. The Department of Justice and Equality is in consultation this morning. If necessary, that matter can be dealt with effectively here in a number of days.

An Ceann Comhairle: Perhaps it would be helpful if the Whips were to meet to discuss how the matter could be progressed. I call Deputy Adams very briefly.

Deputy Gerry Adams: I welcome the Taoiseach's statement that the necessary action will be taken to deal with yesterday's High Court judgment and its implications. However, does that not prove the case I have been making that we can deal with these issues? What is preventing us from dealing with issues we want to deal with is the will of this caretaker Government which is preventing us from doing our job.

An Ceann Comhairle: The Deputy has made his point. I call Deputy Richard Boyd Barrett briefly.

Deputy Richard Boyd Barrett: Maybe the Ceann Comhairle can clarify matters. The Taoiseach has just said that in the case of amending legislation, it is quite possible for it to be done in the Dáil. By the very same token, it would be equally possible to amend the legislation around water services and abolish water charges.

An Ceann Comhairle: The Deputy is making a point that has already been made. Is the proposal for the dealing with No. 5, statements on insurance costs, agreed to? Agreed. Is the proposal for dealing with statements on EU-UK relations tomorrow agreed to?

Deputy Richard Boyd Barrett: No. I am going to make a last stab at this argument. Originally, on tomorrow's schedule, there were to be statements on agriculture. For reasons to do with a Government decision, this item was taken off. Accordingly, there clearly is space tomorrow to have a discussion on water. It was requested at the Whips' meeting but the Government was not up for including it. While the Brexit discussion is an important one for the country and should be held tomorrow, originally, two items were to be on the schedule so there is no reason we could not have the debate on water charges tomorrow afternoon. I urge the Government-----

An Ceann Comhairle: Is the Deputy talking about water charges or agriculture?

Deputy Richard Boyd Barrett: I am saying that, originally, statements on agriculture were agreed. It was on the schedule for tomorrow. It was then taken off it, I presume as a result of a Government decision, so there is time available tomorrow. We do not need to discuss Brexit all day.

An Ceann Comhairle: I ask the Deputy to resume his seat as he has made his point.

Deputy Eamon Ryan: If we are to extend this or bring in new issues, and we should be working more effectively here even in this interim period, parties in the House should support a debate on the type of budgetary process we want. We need to start debating now what we will do in the autumn and I would add that to the list. Other parties may have particular issues they want to address but we should start the debate on the budgetary process here and now.

Deputy Pearse Doherty: A Cheann Comhairle-----

An Ceann Comhairle: No, the Deputy's leader has spoken.

Deputy Pearse Doherty: He has not spoken on the issue I wish to raise. We have already dealt with that matter and it has been dispensed with in the Dáil. This issue concerns item 3a and I ask for the Ceann Comhairle's guidance. Motions have been tabled by the Sinn Féin Party on annulling a statutory instrument on penalty points, which was overturned by the courts

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and found to be unconstitutional in two cases in January. The Ceann Comhairle will understand more than most of us that statutory legislation can be annulled by a simple majority of this House, but that can only be done within a certain timeframe. When will this House allow Deputies to fulfil their legal responsibility to table a motion to annul a statutory instrument and have it debated and voted upon?

I wish to make it clear that if we continue with this situation where we meet time and again without being allowed to debate the motions that are before us, our legal entitlement to place a motion to annul a statutory instrument will be denied by the House and we will have to seek recourse in the courts to address that if we are not facilitated in so doing. The Ceann Comhairle understands that unless we allow a debate on this issue within the timeframe set down by law, this Parliament will be acting illegally by preventing elected Members who have tabled such a motion from having it discussed and voted upon. This is the third time I have raised this issue. It is supported by Independents, the Fianna Fáil Party and others and the matter should be discussed. There is space in the business ordered for tomorrow for it to be discussed. Will the Ceann Comhairle outline to the Deputies who have tabled such a motion how the Dáil will act legally by allowing those Members who disagree with the statutory instrument, which was brought in on 1 March by the Minister, Deputy Coveney, to have it debated and potentially annulled if the Dáil so wishes?

An Ceann Comhairle: I thank the Deputy for his contribution, which is noted. He is very well aware of the fact that I have no role in fixing the schedule of debates that take place here. He has a highly competent Whip sitting beside him and I am sure the Whip, as part of the meetings of Whips and that general process, can come to an agreement as to when the vital business to which he referred can be dealt with.

Deputy Aengus Ó Snodaigh: A Cheann Comhairle-----

An Ceann Comhairle: Only one speaker, please.

Deputy Aengus Ó Snodaigh: The point the Ceann Comhairle made is correct. The Whips met last week and agreed a schedule but it was subsequently changed. What Deputy Pearse Doherty was seeking was that the-----

An Ceann Comhairle: The Chair cannot undertake the work of the Whips-----

Deputy Aengus Ó Snodaigh: I know.

An Ceann Comhairle: -----therefore, I suggest-----

Deputy Aengus Ó Snodaigh: The Whips did not agree the schedule that has been put before the Chair today and that is why we are opposing it.

A Deputy: The Deputy agreed to the statement on agriculture-----

Deputy Aengus Ó Snodaigh: We agreed to those statements but that business was subsequently removed. That is the point.

An Ceann Comhairle: One speaker at a time please. Can Deputy Ó Snodaigh resume his seat? I request, and all I can do is request, that the Whips meet as a matter of urgency to address the important issues that have been raised.

Deputy Pearse Doherty: On that point-----

An Ceann Comhairle: No, Deputy. I cannot-----

Deputy Pearse Doherty: As somebody who protects the interests of Members of this House-----

An Ceann Comhairle: The Deputy is attempting to protract a debate that is unnecessary.

Deputy Pearse Doherty: No, I am not.

An Ceann Comhairle: I am going to put the question-----

Deputy Pearse Doherty: This is a very serious matter and I have no intention of protecting a debate.

An Ceann Comhairle: We are not getting into a further debate on the matter. Will the Deputy resume his seat please?

Deputy Pearse Doherty: I ask the Ceann Comhairle, as somebody who protects the interests of Members, to seek advice as to how a statutory instrument-----

An Ceann Comhairle: Will you kindly resume your seat?

Deputy Pearse Doherty: -----which will become law within 21 sitting days, can be annulled by a Deputy or the Opposition when such matters are not allowed to be discussed. There is an issue regarding legal clarification on how we make our rules-----

An Ceann Comhairle: Resume your seat.

Deputy Pearse Doherty: -----because this Parliament is acting unlawfully unless we allow and facilitate that debate within the 21 days that are set down. You should not allow a Minister to introduce secondary legislation and then prevent the Dáil having a debate and voting against it if it so wishes, which it is entitled to do, under legal statute. It is simply not acceptable and this Dáil-----

11 o'clock

An Ceann Comhairle: You are repeating yourself. Would you resume your seat?

Is the proposal for dealing with the statements on EU-UK relations tomorrow agreed to? Not agreed.

Question put:

<i>The Dáil divided: Tá, 82; Staon, ; Níl, 39.</i>		
<i>Tá</i>	<i>Staon</i>	<i>Níl</i>
<i>Aylward, Bobby.</i>		<i>Adams, Gerry.</i>
<i>Bailey, Maria.</i>		<i>Barry, Mick.</i>
<i>Brassil, John.</i>		<i>Boyd Barrett, Richard.</i>
<i>Breathnach, Declan.</i>		<i>Brady, John.</i>
<i>Breen, Pat.</i>		<i>Broughan, Thomas P.</i>
<i>Brophy, Colm.</i>		<i>Buckley, Pat.</i>
<i>Browne, James.</i>		<i>Connolly, Catherine.</i>

<i>Bruton, Richard.</i>		<i>Coppinger, Ruth.</i>
<i>Burke, Peter.</i>		<i>Cullinane, David.</i>
<i>Burton, Joan.</i>		<i>Daly, Clare.</i>
<i>Butler, Mary.</i>		<i>Doherty, Pearse.</i>
<i>Byrne, Catherine.</i>		<i>Donnelly, Stephen S.</i>
<i>Byrne, Thomas.</i>		<i>Ellis, Dessie.</i>
<i>Cahill, Jackie.</i>		<i>Ferris, Martin.</i>
<i>Carey, Joe.</i>		<i>Funchion, Kathleen.</i>
<i>Casey, Pat.</i>		<i>Healy, Seamus.</i>
<i>Cassells, Shane.</i>		<i>Kenny, Gino.</i>
<i>Chambers, Jack.</i>		<i>Kenny, Martin.</i>
<i>Corcoran Kennedy, Marcella.</i>		<i>McGrath, Finian.</i>
<i>Coveney, Simon.</i>		<i>Martin, Catherine.</i>
<i>Cowen, Barry.</i>		<i>Mitchell, Denise.</i>
<i>Creed, Michael.</i>		<i>Munster, Imelda.</i>
<i>Curran, John.</i>		<i>Murphy, Catherine.</i>
<i>Daly, Jim.</i>		<i>Murphy, Paul.</i>
<i>D'Arcy, Michael.</i>		<i>Nolan, Carol.</i>
<i>Deasy, John.</i>		<i>Ó Broin, Eoin.</i>
<i>Deering, Pat.</i>		<i>Ó Caoláin, Caoimhghín.</i>
<i>Doherty, Regina.</i>		<i>Ó Laoghaire, Donnchadh.</i>
<i>Donohoe, Paschal.</i>		<i>Ó Snodaigh, Aengus.</i>
<i>Dooley, Timmy.</i>		<i>O'Reilly, Louise.</i>
<i>Durkan, Bernard J.</i>		<i>Pringle, Thomas.</i>
<i>English, Damien.</i>		<i>Quinlivan, Maurice.</i>
<i>Farrell, Alan.</i>		<i>Ross, Shane.</i>
<i>Fitzgerald, Frances.</i>		<i>Ryan, Eamon.</i>
<i>Fitzpatrick, Peter.</i>		<i>Shortall, Róisín.</i>
<i>Flanagan, Charles.</i>		<i>Smith, Bríd.</i>
<i>Fleming, Sean.</i>		<i>Stanley, Brian.</i>
<i>Gallagher, Pat The Cope.</i>		<i>Tóibín, Peadar.</i>
<i>Harris, Simon.</i>		<i>Wallace, Mick.</i>
<i>Harty, Michael.</i>		
<i>Haughey, Seán.</i>		
<i>Healy-Rae, Michael.</i>		
<i>Howlin, Brendan.</i>		
<i>Humphreys, Heather.</i>		
<i>Kehoe, Paul.</i>		
<i>Kelleher, Billy.</i>		
<i>Kelly, Alan.</i>		
<i>Kenny, Enda.</i>		
<i>Kyne, Seán.</i>		

<i>Lahart, John.</i>		
<i>McConalogue, Charlie.</i>		
<i>McEntee, Helen.</i>		
<i>McGrath, Mattie.</i>		
<i>McGrath, Michael.</i>		
<i>McHugh, Joe.</i>		
<i>Madigan, Josepha.</i>		
<i>Martin, Micheál.</i>		
<i>Mitchell O'Connor, Mary.</i>		
<i>Moynihan, Michael.</i>		
<i>Murphy O'Mahony, Margaret.</i>		
<i>Murphy, Dara.</i>		
<i>Murphy, Eoghan.</i>		
<i>Naughton, Hildegard.</i>		
<i>Neville, Tom.</i>		
<i>Noonan, Michael.</i>		
<i>Ó Cuív, Éamon.</i>		
<i>O'Brien, Darragh.</i>		
<i>O'Callaghan, Jim.</i>		
<i>O'Connell, Kate.</i>		
<i>O'Donovan, Patrick.</i>		
<i>O'Dowd, Fergus.</i>		
<i>O'Keeffe, Kevin.</i>		
<i>O'Loughlin, Fiona.</i>		
<i>O'Rourke, Frank.</i>		
<i>O'Sullivan, Jan.</i>		
<i>Rabbitte, Anne.</i>		
<i>Ring, Michael.</i>		
<i>Rock, Noel.</i>		
<i>Smith, Brendan.</i>		
<i>Smyth, Niamh.</i>		
<i>Stanton, David.</i>		
<i>Varadkar, Leo.</i>		

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

Question declared carried.

An Ceann Comhairle: Is the proposal for dealing with the Adjournment tomorrow agreed to? Agreed.

Health Services: Statements

Minister for Health (Deputy Leo Varadkar): I welcome the opportunity to speak for the first time in the Thirty-second Dáil and to inform the House of the current state of our health service and, in particular, emergency department overcrowding and waiting lists, which I know are major concerns for Members.

Meeting the ever-increasing demand for health care is particularly challenging. It arises from our growing and ageing population and the development of new treatments and technologies which give people hope but which often come at a high cost. There is no doubt that our health service faces particular challenges in meeting patient demand for emergency care and scheduled or elective care. We are all very conscious that emergency department overcrowding and excessive waiting times cause distress for patients and their families as well as for the staff dealing with them. In turn, long waiting lists can exacerbate emergency department overcrowding, as today's cancelled day case elective surgery patients can become tomorrow's emergency admissions. Patients in our health service deserve to have access to necessary care within a reasonable timeframe.

With the welfare of patients, patient outcomes and patient safety in mind, a range of measures were implemented by the last Government to seek to reduce the levels of emergency department overcrowding and long waiting times. During 2015, more than €117 million in additional funding over and above the budget allocation was made available to the health service to reduce waiting times for fair deal funding, improve access to community care packages and increase hospital bed capacity. In addition, the waiting list initiative resulted in funding of approximately €30 million being provided to the HSE in order to achieve reductions in the outpatient, inpatient, day case and endoscopy waiting lists.

This year has been an exceptionally busy year so far for our health service. The HSE reported that in the first quarter of this year alone there was an increase of 6.7% in patient attendances at emergency departments compared to the same period last year. Typically, increases in attendances are in the region of 1% and in some years attendances have decreased. Despite a significant and sustained increase in patient attendances, the overall performance of emergency departments in a number of hospitals has improved. The vast majority of patients attending emergency departments nationally received the necessary care within a reasonable timeframe.

At the end of February, more than 75,000 patients who attended were admitted or discharged in less than nine hours. It must, however, be acknowledged that a number of hospitals remained in deep difficulty and patients had to wait much longer than they should have done. Approximately 20% of patients spend more than eight or nine hours in emergency departments and we must endeavour to reduce this figure every year, aiming to reach a figure of about 5% which is the internationally accepted norm.

We know that a range of factors contribute to overcrowding in emergency departments. It is not simply a matter of extra beds. Britain has no more public hospital beds *per capita* than we do and has an older population but does not have the same levels of overcrowding as Ireland. While extra beds have made a difference in some hospitals, it is evident they have made

very little difference in others. We know the range of factors that contribute to overcrowding includes the following: patient attendances; the acuity of patients; the hospital admission rate or conversion rate, that is, the percentage who are seen and then deemed necessary for admission, which varies massively from about 20% in some hospitals to 50% in others; the length of stay, which again varies significantly from four or five days for the average patient stay in some hospitals to ten days in others; and factors such as flu, viruses and hospital efficiency, not to mention the weather and other environmental factors. The quality of and access to primary care and social care in the hospital's catchment area is also of fundamental importance.

Consequently, emergency department overcrowding is not just a problem for emergency departments or hospitals alone to resolve. The response has to be multifaceted and across the health service. A range of initiatives are being implemented as part of a four-pronged approach. First, a number of measures have been introduced to reduce the number of patients attending hospital by improving access to primary and community care services. These initiatives include offering a wider range of outpatient services, such as the community intervention teams and the home IV antibiotic OPAT programme, which allows some patients to avoid being admitted to hospital altogether and allows others to go home sooner, thus freeing up hospital beds. Second, GP out-of-hours services have been expanded, and while this does not reduce admission rates, it can reduce attendance rates. Third, there is improved access to diagnostic services such as X-ray and ultrasound. Fourth, there has been an expansion of minor surgery capacity in general practice.

Community intervention teams, CITs, have enabled patients to receive care in their own homes and communities which previously they could have received only in hospitals by, for example, administering intravenous antibiotics, monitoring bloods, dressing wounds and so on. These nurse-led teams prevent unnecessary hospital attendance and enable suitable patients to be discharged earlier. These services have been expanded in recent months to areas such as Sligo, Waterford and Tipperary, and there are now 13 such services nationwide. Between 2014 and 2015, there was a 34% increase in CIT referrals and the CIT-OPAT services are estimated to have reduced the requirement for hospital beds by approximately 72 beds per day. Also in primary care, minor surgery clinics have been established in 20 GP practices, with numbers to be expanded to 40 practices by the end of 2016. Out-of-hours GP services have also been expanded to alleviate some of the pressure on emergency departments, which, as I said, reduces attendances although it does not reduce admissions. A 10% increase in usage has been recorded in recent months.

The second category of measures has focused on expanding hospital capacity or bed capacity. Additional funding was provided to open 246 new hospital beds and reopen 116 previously closed beds, thus providing an additional 362 beds when compared with this time last year. That overcrowding has not reduced as substantially as we would have expected illustrates very clearly it is not a simple function of just putting in more beds - far from it.

The number of whole-time equivalent staff in the health service increased by almost 5%, or 4,000 staff, between December 2014 and December 2015. Again, this demonstrates that more staff on their own do not provide a solution to our problems. The extra staff hired include nurses, hospital doctors and consultants - we have never had more hospital doctors and consultants working in our public service - as well as other health and social care professionals. In particular, more than 800 additional nurses are on the payroll and hundreds of additional doctors were also employed in the health service last year. Recruitment of further front-line staff is ongoing but remains an enormous challenge in light of the desirability of, and growing demand

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for, qualified Irish health care professionals in health services abroad and also the general international shortage of health care staff.

Task transfer between doctors and nurses, which was agreed in February, is another action which can contribute to improving hospital capacity and the efficient use of expertise. Tasks that are now being carried out by nurses as standard include IV cannulation, phlebotomy, first-dose IV antibiotic drug administration and nurse-led discharge. Actions to facilitate timely discharge of patients from hospitals are a third prong of the approach to reducing overcrowding. The health service has demonstrated significantly improved performance in reducing delayed discharges throughout 2015 and 2016.

Increased funding for the nursing homes support scheme - the fair deal - has been a key action in reducing delayed discharges. In 2015, an extra €44 million was allocated to the scheme, providing an additional 1,600 places and reducing the waiting time for approval from 11 weeks to four weeks. A further €30 million was allocated to cover the cost of providing the following: 1,500 transitional care beds throughout the country, 2,500 additional transitional care placements to the year-end to enable discharges from certain hospitals, home care support to an additional 860 people, and 173 more community beds in district hospitals and community nursing units throughout the country.

In 2016 the net budget for the fair deal scheme is €940 million, almost €1 billion. This represents an increase of €43.1 million on the outturn for last year. The scheme will fund an average of almost 24,000 clients per week, which is an increase of approximately 650 on last year. As of 12 April the number of delayed discharges had fallen to 608 from a high of 830 in December 2014. There will always be a certain number of delayed discharges and these are not the same people - it changes every day. It can take time to put a home care package in place because we need to give patients the opportunity to check out one or two nursing homes before deciding where they need to go. Also, if patients are going home to a carer, it needs to be understood that the carer may need time to organise leave from work etc. There will always be a base level of delayed discharges at somewhere between 400 and 500.

To further achieve a reduction towards that number the HSE is in the process of establishing a bed bureau for the greater Dublin area. Contrary to media reports there is not a shortage of nursing home beds in the Dublin area at present.

In 2016 the HSE has provision for €324 million in home supports, including home help and home care packages. Home help assists with more routine tasks while home care packages can provide a range of services including primary care, nursing therapies, enhanced home care hours and respite care for more dependent older people who might otherwise need nursing.

An Ceann Comhairle: Your script has been circulated, Minister. I am sorry that we are out of time.

Deputy Leo Varadkar: How much time was I allocated?

An Ceann Comhairle: You had ten minutes.

Deputy Leo Varadkar: Is that for the entire debate?

An Ceann Comhairle: Yes. That was the time allocated. I am sorry about that. Deputy Kelleher, you are next. The same constraints apply to you.

Deputy Billy Kelleher: Thank you a Cheann Comhairle. To ensure we start the Thirty-second Dáil in good form I wish to congratulate you, a Cheann Comhairle. This is my first opportunity to speak in the Thirty-second Dáil.

It should also be an opportunity for us to start off this new Dáil with a little honesty about where we are in terms of health, the funding of health, what we expect as a people and who should and should not pay. We should be genuinely honest about what we can deliver to the citizens.

Let us be honest: in the past five years we have had a situation where there were extraordinary promises. Of course the promises brought expectations and in all that time we have seen a failure to deliver. I have no wish to be repetitive but it is important to look back at the start of the Thirty-first Dáil in the context of the programme for Government and what was offered, promised and actually delivered. We had a situation where universal health insurance was the central plank on which our health policy would be funded. We found out some time later that the plan in itself had no funding projections or foresight and no thought was put into it in terms of how it would actually deliver universality.

Universality is something most people aspire to in this context. Certainly, we have no wish to see people being put on waiting lists based on the fact that they do not have private health insurance or because our public health system simply cannot cope with the demand that exists. Our offering in this House should be to strive towards a situation where our public health system can cater for and deal with the capacity issues that are currently blighting it. Of course that is not what has happened in the past five years. We had an obsession with putting forward proposals for funding health care that were either unsustainable or not implementable or practical, i.e. universal health insurance. The obsession in this country with structures as opposed to the delivery of services is something we have to move on from. There was a certain mindset in place. Governments and political parties had an obsession with structures rather than dealing with the real issues on a daily basis.

Whether I liked it or otherwise, in 2003 the Brennan report recommended that there would be a unitary public health system. The Brennan report stated that there should be one national public health system. The HSE was set up on foot of the fact that we had a number of health boards through the country. There was a lack of uniformity in terms of policy formulation, accountability and delivery of services. The Brennan report recommended that there would be a unitary organisation to deliver health care in a uniform way throughout the country without fear or favour or political interference. Of course, we have not had that since then. We have had the HSE, which had an independent board and was to be able to bring in its own expertise. However, it was then subsumed in the last election by the previous Minister for Health, Mr. Reilly. He got rid of the board and started to bring the executive back under the umbrella of the Department of Health. I do not mind which way we want to go in terms of accountability, whether it is to the Minister and then the HSE or that the HSE would have an independent board. It is critical that there be a unitary public health system committed to delivering health care for people who need it.

Of course, there is also private health insurance. There is a perception that those with private health insurance are somehow luxury yacht owners in far-flung parts of the world. These are ordinary hard-working people, by and large, who take out private health insurance. They do so not necessarily out of any patriotic duty in trying to lighten the burden of the public health system but rather fear and concern for themselves and their family that they will not be able to

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access diagnostic services or care in the event of a difficulty. The majority of our private health insurance policyholders are ordinary, hard-working families that have taken a decision to do so in the belief that in doing so, they have a reasonable chance of accessing diagnostic services and care. That is of course the failure of the public health system. There is no confidence among people that if something happens, particularly with elective procedures, there will be access to diagnostic services and treatments in a timely fashion.

That brings me to what we should do. Many of the policy decisions made by the Minister and his predecessor did not help. For example, we had many debates in the House about free GP care for those who are under six. Of course, giving free GP care to people should be something to aspire to in here. The difficulty is that when the Minister is rationing health services and there are insufficient budgets to underpin those health services, we have waiting lists and major numbers of elderly people waiting for home care packages. They are scratching around, trying to beg an extra hour of home help here and there from the public health nurse. Choices must be made. We have a limited and defined budget and into that the Minister is trying to fit elements that he thought would be to his and his party's electoral advantage. As it stands, our GP services are meant to be keeping people with chronic illness out of hospital by catering for them in the primary care setting. At the same time, the Government has not enhanced the capacity of primary care but has undermined the structure of GP services and supports. The free GP care for those under six has been put into the mix without expanding the capacity.

This only leads to one result, which is more people being referred to hospitals. The evidence is there already. The figures for our accident and emergency departments have increased by 6.9% this year alone. It is quite obvious that the pressure on our GP services is causing those difficulties. One does not have to be a GP or any form of medical professional to see it day in and day out when visiting surgeries or speaking to GPs. People cannot get same day appointments with a family doctor and must wait a day or two. That was never the traditional case in this country and a GP would always have been able to see a patient on the same day if a case was deemed urgent. People are now waiting and appointments are not taken on the same day. There is a lack of capacity in the GP service and primary care setting, with only one place for a patient to go, which is accident and emergency units throughout the country.

Policy development has been based primarily on electoral gain. Of course, it would have been very suitable for us to criticise the Government when it proposed free GP care, not only for those under six but for those under 12, under 18 and everybody else. We in the House must be honest. It is simply not sustainable consistently to pretend that the health budget delivered by the Government in the Dáil can bring all the services promised by the Government. It has never done so in the five years since Fine Gael and the Labour Party took office. The budgets have been disingenuous and, one could say, dishonest. Time and again, the Minister and his predecessor came into the House in that way. That is why we must get away from the nonsense of producing Estimates and knowing full well that they have no capacity to deliver the services outlined in the service delivery plan. In 2014, savings were identified from cutting discretionary medical cards and €113 million was identified in probity, but there was a deficit of €666 million before we started the year. We must be honest with ourselves when we talk about Dáil reform and how we will conduct business differently in the context of a new Dáil. However, we certainly have to address how we will project the HSE budget in the context of the following year. We cannot have a situation where the Minister states that he or she is standing up to the Minister for Finance and is making a hard case for health while at the same time the HSE, which is charged with delivering public health care, says in briefings that it has no way of delivering

the health care expected by the Minister and the Government because of budgetary constraints. We need to have an honest, open and accountable budgetary process in this House to provide funding.

An Ceann Comhairle: The Deputy should conclude.

Deputy Billy Kelleher: Of course, some people will not necessarily buy into that, but at least the process will be open and accountable. All political parties and none will have an opportunity to make an input as well as prioritising and identifying key areas where they think money needs to be provided. As we all know, specific expenditure from a defined budget will cause difficulties elsewhere. However, we should at least have that honest and open debate as opposed to the spin and disingenuous efforts of the past five years, pretending that in some way budgets were sufficient to sustain services when we know they were not even demographically proofed. In welcoming this health debate, from now on we must be honest concerning public expectations. We must ensure we have a budgetary process that can underpin HSE services instead of the pretence we currently have.

Deputy Caoimhghín Ó Caoláin: The continuing inequalities in public health are a direct result of the deep social and economic divisions in our society, with the wealthier sections enjoying better health and speedier access to health care compared with the less well off. This should be intolerable in Ireland in the 21st century, yet pervasive social and economic inequality, now as in the past, continues to generate poverty and ill health in Ireland.

In health care, Sinn Féin's primary goal is a new universal public health system for Ireland that provides care free at the point of delivery, available to all on the basis of need alone, and funded from fair and progressive taxation. As a party committed to equal rights and equal opportunities, we have on a number of occasions presented our policy priorities to achieve a system of universal health care in Ireland and have offered solutions to the crises that present every day in our health services.

One particular area of health care that deserves to be mentioned is mental health. Mental health is a key area in which successive governments have failed to provide an adequate level of service. This is despite that 644,000 people, one in seven adults, have experienced a mental health difficulty in the past year. While there have been attempts to reconfigure health spending and ensure mental health care is prioritised, we see funds earmarked to mental health spending being spent in other areas.

A number of weeks ago, I recorded my concerns that with a quarter of the 2016 calendar year now past, the promised additional €35 million to be spent on mental health had not yet been released. I also highlighted that in the absence of the means to hold the Minister, Deputy Varadkar, to account in the Dáil Chamber, I was prevented from carrying out my electoral mandate as a representative of the people.

It appears that the situation has gone from bad to worse with the threat of €12 million being taken from the additional €35 million which was ring-fenced for mental health. This is absolutely deplorable and is indicative of a Government and senior Civil Service that is out of touch with the realities faced by so many who suffer from mental health issues. I echo the criticisms of Mental Health Reform, which rightly points out that there is no parity of esteem between mental and physical health. Sinn Féin has a plan for mental health care. Among our proposals are a commitment to increase the mental health budget in year one by €35 million, to

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complete the roll-out of suicide crisis assessment nurses, to reverse cuts to guidance counselling in schools introduced by the Government in 2012, to increase the number of inpatient child and adolescent beds and to increase the number of child and adolescent mental health service, CAMHS, teams.

The Trolley Watch figures provided by the Irish Nurses and Midwives Organisation regularly highlight the impact of decades of Government failure to adequately provide for the sick and the vulnerable. Yesterday, 323 patients languished on trolleys. The crisis is partly a reflection of inefficiencies within the system. Not all hospitals discharge seven days a week, for example, but in the main, it is directly due to lack of capacity in terms of staffing and bed numbers. There is also a shortage of exit packages, including the provision of home help hours and home care packages, and inadequate numbers of long-stay nursing home beds. We need to increase the number of hospital beds available in the system to move people from trolleys into wards. We need to recruit more nurses into our emergency department and acute hospital system. Many young Irish people want to become doctors, nurses, surgeons or dentists. They go to college and study for years in a system that grows more expensive by the year. When they graduate, they are faced with a health system ravaged by years of austerity, recruitment embargoes and funding cuts imposed by the Fine Gael and Labour Party Government and by Fianna Fáil before it. For too many, the choice is plain, and emigration is the result.

If we are to stem the flow of doctors, nurses and others from our health system and attract those that have already left to come home, we must commence sustained action to address the single biggest factor influencing medical migration - the toxic work environment that currently prevails. *Ad hoc*, half-hearted recruitment drives will not cut it. To foster and maintain a productive and motivated medical workforce, we must put credible light at the end of the tunnel for staff, showing that things will get better and stay better. This requires a commitment to ambitious multi-annual recruitment targets with revenue allocated to back these up.

As far back as the 2001 health strategy entitled Quality and Fairness – A Health System for You, there was a commitment that “by the end of 2004, no public patient will have to wait for more than three months to commence treatment, following referral from an out-patient department”. We could not be further away from that if we tried. Last week, data from the National Treatment Purchase Fund revealed that hospital waiting list figures have increased for inpatient, day case and outpatient care. It revealed that an astonishing 490,500 patients - nearly half a million people - are awaiting treatment or assessment in the public hospital system. This is utterly shameful. In January, it was reported that 250 children with scoliosis were waiting for an operation to fix their spine or waiting to see a consultant. Many of these have been waiting for 15 months or more for this vital treatment. This continues to be the case. I recently learned of a child who has been waiting for rod surgery since 2014. He is only four years old and needs the rods to stabilise his spine. The little boy was due to have surgery at the end of April but this has now been cancelled again and moved to May. Without this surgery, the curve in his spine continues to progress. This causes breathlessness, infections and pressure on his heart and vital organs. I have been informed that an operation was carried out recently on a child with a 100-degree curve of the spine. That is just cruel.

New waiting time targets were introduced by the Minister for Health in mid-2015 but, rather than trying to solve the problem, he simply shifted the goalposts, extending the waiting time target from 12 months to 18 months in an effort to salve the damning statistics of his failures. No serious effort was ever made to achieve these targets, and waiting times have grown since. The waiting list crisis is one of access, capacity, funding and resources. In order to address this

situation, we need to increase the capacity of the hospital system by recruiting the necessary staff, opening further beds and investing in care in the community.

What Sinn Féin advocated and what over 295,000 people voted for in the recent election was a plan to end these scandals once and for all. Our fully costed health policy demonstrates in a very pointed fashion how an ambitious multi-annual recruitment plan and, ultimately, an investment of €3.3 billion will bring sufficient capacity into our health system. The election took place eight weeks ago this Friday. We are still without a Government. No Minister has come before this Dáil to address these urgent issues or to be held to account for what is happening under his or her watch, and today simply does not tick the box. It would appear that there is absolutely no appreciation of the distress and often pain that those awaiting access to our hospital services and those on trolleys are enduring. This has to stop. Inadequate increases in the overall health spend will not hack it. The crises in our health services of which we are aware will assuredly deepen if significant additional moneys are not approved and released to tackle the serious under-capacity that exists. I urge all who will be a part of whatever Government arrangement emerges from the current round of talks to put health care at the top of their list of priorities.

An Ceann Comhairle: I understand that Deputy Coppinger proposes to share time with Deputy Gino Kenny. Is that agreed? Agreed.

Deputy Ruth Coppinger: I will quote an article from *The Sunday Business Post*. It stated: “When Dublin-based surgeon Rustom Manecksha sees a patient in the hospital where he works, he asks whether his patient has private health insurance.” Does it not say it all about the state of our two-tier system that the first thing a doctor tries to ascertain is what level of insurance somebody has in order to access treatment? Under the Minister’s watch, almost half a million people - 471,967 - are on waiting lists. One in ten people in this State are waiting for treatment. A total of 399,000 people are waiting for outpatient treatment, 11,000 of whom are in the Minister’s local hospital - Connolly Hospital Blanchardstown. A total of 159,000 people have been waiting for more than six months and many more have been waiting for a year.

Why do such massive waiting lists exist? If we were to listen to Fine Gael, Fianna Fáil, the Labour Party and some other commentators, it is purely to do with mismanagement. It is not to do with this. It is to do with a decision taken in the past seven to eight years to inflict a punishing regime of austerity to bail out the super-wealthy. I will give the academic backup for this claim. A survey by Trinity College Dublin published last year showed that €2.7 billion has been taken out of the health service since 2009. This resulted in 12,000 fewer staff, 21,000 fewer appointments, 30,000 fewer day cases - no wonder one person in ten is waiting on treatment - and 941 fewer beds. A total of 2 million home help hours were taken out of the health service every year. In his speech, the Minister said he would maintain home help services at the 2015 level. We need to put back in what was taken out because of the bailout - a decision taken by Fianna Fáil, Fine Gael, the Labour Party and the Green Party.

The most recent figures relating to trolley watch, which is a daily routine, show that there was a 5% increase in the number of people on trolleys last year but that there has been a 99% increase since 2008. This is further confirmation, if ever it was needed, that the bailout, austerity and capitalism led to people suffering in the context of their health. I mentioned the disparity between public and private treatment. The cuts in the health service hit low and middle income workers in particular. The Trinity College survey also indicated that the €100 million cut in the drug payment scheme added to medication costs. It showed the effects of the cut in home

help hours. What is particularly frightening is that it showed the different treatment for public and private patients. For example, in the Mater Private Hospital in Dublin, there are robotics to remove part of the kidney in the treatment of kidney cancer. A public patient, however, does not get that treatment but the kidney is removed. That is quite sickening. A cousin of mine died from kidney cancer so this does happen to people.

It has been widely publicised in the past week that 330 deaths per year are being caused by the lack of intensive care beds. Dr. Stephen Frohlich, a consultant in anaesthesia and intensive care medicine, has stated that cuts in intensive care units are grossly unsafe for patients. People suffer every day from the cuts in occupational therapy and speech and language therapy. Linked to the housing crisis, a key problem my constituents contact me about is the waiting list for the housing adaptation grant. A person who is priority 1 is seen within five days. However, at priority 2, the wait is one year and at priority 3, in the Dublin 7 or 15 areas, it is 65 weeks.

I could go on but my time is running out and I want to mention neurology. There is a case in Dublin West of a man who had a workplace accident in 2013 and who is still waiting for an appointment with a neurologist for treatment for a brain injury. This is absolutely incredible. There are similar complaints about stroke patients and ambulance treatments, which I do not have time to discuss. We must reinvest, tax wealth in society and make the corporations pay in order that we might invest in our health service, education and public services.

An Ceann Comhairle: I call Deputy Gino Kenny. Is this the Deputy's maiden speech?

Deputy Gino Kenny: Yes and I do not think I will be heckled.

An Ceann Comhairle: No the Deputy will not be heckled.

Deputy Gino Kenny: I hope not. Will the Ceann Comhairle give me some extra time? This will take about five minutes.

An Ceann Comhairle: I am afraid the Deputy will not get any extra time so he had better get on with it.

Deputy Gino Kenny: As a care assistant for the past 16 years, the best education I ever got in life was working with the wonderful people I was lucky enough to care for. Sometimes the people in my care were coming to the end of their lives, while others were beginning a long and arduous journey of convalescence and rehabilitation. This gratifying work and life experience, making a positive contribution to people facing life's most serious challenges will always shape my outlook on life. Equally, I will always admire the amazing dedication of my fellow workers, auxiliary staff, nurses and doctors. I very much doubt that any Minister for Health personally likes to see people on trolleys in accident and emergency departments, struggling to get home care packages or waiting for vital operations. However, it is the result of the cruel and unjust political choices of the Fine Gael-Labour Party Government and previous Governments that we find ourselves in this perennial and prolonged crisis in our health service.

The issue I want to raise is that of home help services and the 1 million home help hours that have been cut by the Fine Gael-Labour Party Government since 2011. The Fianna Fáil-Green Party Government had already cut 1 million hours of home help to bail out the banks but the Fine Gael-Labour Government continued with the cuts, attacking some of the most vulnerable workers who look after some of our most vulnerable citizens. Those home care cuts have had a serious and detrimental effect, not only on the recipients of care but also on carers themselves.

It is estimated that every year up to 75,000 people need to avail of home help services but, according to the HSE, only 21,000 people are currently benefiting from some sort of package and the number of home care hours will fall by 50,000 this year. As the Government is well aware, the demand for home care packages and home care hours is growing every year because of our ageing population. Cuts to home care packages are not, as is often claimed, a cost-saving exercise. They also serve the Government's ideological commitment to for-profit provision by private companies. That is a policy of privatisation of public health care and home care. At present there are 50 private for-profit home care providers in Ireland. This market is worth €330 million. These are highly profitable companies that get contracts worth millions of euro per year from the HSE. On the other hand, the salaries of the care workers who actually provide the care average from €10 to €11 an hour while their employer charges over €26 an hour, more than double what the carer gets. This level of profiteering is a waste of public funding and it is a shame and a scandal that so many are left without care.

Professor Des O'Neill of Tallaght hospital recently described the cuts to home care as "totally bonkers and self-defeating". He added "It will cause significant personal distress for frail older people who are prevented from being able to go home in a timely and supported manner, and will also have significant consequences for an already over-loaded hospital system." Professor O'Neill's sentiments are shared by the majority of health and social care staff, carers and those requiring care. In an age when people would prefer to stay at home rather than have successive and needless stays in hospital, surely we should be funding home care packages as a priority. We need to respect and value the work done by care workers and carers. We need to put an end to the "care-cramming" that forces home care workers to race against the clock through unreasonable time allocations and which places those vulnerable citizens being cared for at risk of injury.

The position in respect of home care is, like those relating to many other social services - such as housing, health care and water supply - in a state of ongoing crisis. Measures urgently required are: employ more care workers in properly paid, permanent jobs with adequate training and support; stop the privatisation of our health system through expensive contracts with for-profit companies; provide medical cards as a minimum to all those receiving long-term care; abolish means testing for carers and improve their carer's allowance payments and other supports; and publish and fund phase 2 of the national care strategy, setting out a clear plan for carers from 2016 to 2020.

Deputy Mick Wallace: Mental health was the health issue raised most with me during the election campaign in Wexford. Problems with mental health are not confined to Wexford but the county did have the highest suicide rate in Ireland in 2015. That is not unrelated to the fact that Wexford has the third highest level of deprivation in the country or that the HSE deals abysmally badly with the problem there. A person who is feeling suicidal or has any form of mental illness in Wexford after 5 p.m. or at the weekend has serious problems trying to get help. The person will eventually end up at an accident and emergency department in Waterford where he or she might get a referral and get some professional help or a space in the unit in Waterford.

We now hear that the HSE might want to cut one-third of the ring-fenced money from the mental health budget. This did not start overnight. In the 1980s, 13% of the health budget was spent on mental health services but in 2015 it was 6.2%. In 2010, the year that Wexford and Waterford mental health services amalgamated and all acute beds were moved to Waterford, the suicide rate in Waterford was 11.5 per 100,000, while the rate in Wexford was 11. The following year, the rate in Wexford had almost doubled to 20 per 100,000 and Waterford's had

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remained steady. Wexford has had roughly double the suicide rate of Waterford ever since. New figures from the Central Statistics Office show that Wexford now has the highest suicide rate *per capita* in the country. It would be hard to find a more striking example of what cuts in this area of the health service can do. They literally kill people.

I am not advocating that we reopen units such as St. Senan's in Enniscorthy. However, when it was closed, next to nothing was put in place to fill the gap.

A serious national conversation and re-evaluation needs to take place about how the State provides mental health care and how we understand mental health issues. We need to look at models that work for people and help them lead healthy and productive lives in the community. We need to take away the stigma that surrounds mental health issues. Central to facilitating this change is questioning the dominance of the medical model approach to mental health problems, the prevalence of the notion that the pharmaceutical industry can provide us with magic bullets to treat so-called mental illnesses. There is overwhelming evidence that the anti-psychotic and anti-depressant drugs are dangerous if used as a long-term solution to mental health problems and the outcomes for those who receive psychotherapy are much better.

In 2012, the Minister of State with responsibility for mental health met the former assistant State pathologist, Dr. Declan Gilsenan, the psychiatrist, Professor David Healy, and others to discuss the dangers of anti-depressant and anti-psychotic medications. Professor Healy has spent the better part of his career researching the effect of these drugs. He found that pharmaceutical companies are systematically blocking efforts to detect problems, and ghost-writing scientific articles that hide the dangers of new drugs while making it financially attractive for the psychologists and psychotherapists who they see as the real clients of their products to promote and push these products on a public that is not warned of the dangers and have little or no recourse when these professionals prescribe them a substance that has damaging and sometimes fatal effects. However, the warnings of these professionals are being ignored. The number of prescriptions is rising as are the number of people reporting mental health issues and the profits of the pharmaceutical companies.

During the general election campaign I met a woman in a pharmacy in Campile. She was alarmed at the rising level of use of drugs by young people to address mental health problems. She said there was not enough education on the matter and that drugs were seen as a fast-fix solution, but they were not working.

If it was true that the magic bullets worked and we were pursuing the right approach with these revolutionary drugs, should there not be a drop in mental illness problems? The most successful mental health programmes are ones that involve care in the community, psychotherapy and the use of drugs only in extreme cases and on a short-term basis. We need to move to something along these lines and the sooner we re-evaluate where we are going in this area, the sooner we will start to save lives, and improve the quality of lives of those in distress and the lives of those around them.

Deputy Clare Daly: With limited time, we have to cut to the chase. If we want to deal with the problems in our health service, the starting point has to be the disbandment of the HSE. It is now very much part of the problem and not in any way part of the solution. As an organisation, it is absolutely irreformable. I do not say that lightly or flippantly. From its inception it was what Maev-Ann Wren described as a reform of health administration.

However, it did not get to the problem at the heart of our health service which is its two-tier nature. Rather than addressing that, the previous Government added to the problem by frog-marching everybody over the age of 35 into a system of private health insurance whether they liked it or not. It is not the best outcome and our citizens are paying the price. The two-tier nature of our system is at the heart of problems that see nearly 500,000 people, 10% of the population, waiting for various forms of treatment or assessment in the public hospital system. More than 10,000 sick children are waiting for an appointment in the public system.

We know the figures that 300 to 350 Irish patients die every year because of overcrowding in accident and emergency departments. That is not to mention the people who might die by committing suicide because their mental health issues were not addressed previously, the obese people and the people with heart problems and so on because of the lack of attention at primary care level. The only solution is a single-tier publicly funded public health system. It gives the best value for money and the best outcomes for patients. It is somewhat ironic that 68% of health spending on public health in Ireland is way below the OECD average of 72.7%.

That said, I believe a considerable amount of money in our system is wasted. It is not going to the front line. We are not prepared to pay our nurses, but we are prepared to pay over the odds for agencies. We are not prepared to provide public nursing home beds, but we are prepared to give away a fortune in tax breaks and handouts to private nursing homes.

We have walked away from proper services for our citizens, young and old, who are disabled. There has been an explosion in the number of organisations providing support for citizens with disabilities - each with its own CEO, director of finance, etc., and the plethora of offices that goes with it, but the money is not going to the front line. The middlemen problem that has existed in Irish society is very much alive and well in our health services.

A recent Trinity College paper stated that disability services in Ireland paint a consistent picture of poor or non-existent implementation over several decades by voluntary and statutory bodies of the changes that are required. As a result, more than 900 HIQA inspections into residential disability services found that 93% did not comply with national standards.

I am sure the Minister is aware that in his constituency, as in mine, there is now an acute crisis in the provision of services for young people with disabilities, particularly young people with autism who are transitioning from a school environment into after-school services. There is nothing there for them. Almost 100 young people on the north side of Dublin who had been told they would get access to services such as those of Gheel Autism Services, have now been told there are no places in that organisation for them. That was a high quality of care that has been downgraded into other lesser-quality care - Praxis Care, which does not give as much hands-on training, and other organisations.

No parent now knows the facilities into which their young people will transition. As the Minister knows, autistic young people need routine and reassurance. Anything that falls apart in the system has a massive impact on them. It is just not good enough. We are spending a fortune on these organisations that are to the side of the HSE. They are not being checked and are not providing the services to the individuals who need them. They are costing society more without addressing the person at the heart of it and it will only get worse while this model remains.

Deputy Róisín Shortall: Sometimes in periods of uncertainty comes opportunity. I believe

that is the case with the health service at the moment. The new Dáil arithmetic certainly brings us uncertainty but when it comes to the health service and bringing much-needed improvements, there are opportunities to do real and meaningful things that would improve the quality of life for so many people who are dependent on the health service.

For once, it appears the Executive will be answerable to the Dáil if it wants to get through a programme of work, which is a very healthy development. No one party will have control of Government decisions and no one ideology can dominate. We will have the prospect of cross-party, evidence-based policy making, which can only be good. Some will say this will only bring stalemate, but as far as the health service is concerned I believe it represents a golden opportunity to set it on a defined path where it can become a valued public service of which we can be proud.

Currently, there is stalemate in health policy. There have been three major upheavals in the health service since the turn of the century, with different Ministers bringing different approaches. Deputy Micheál Martin brought the HSE; Ms Mary Harney brought co-location; and Dr. James Reilly brought universal health insurance with competing insurers. Each new Minister brought a new plan. None of these has worked to deliver the quality health service that each of the Ministers claimed at the time. This constant state of flux has led to a great deal of uncertainty in the health service, along with significant change fatigue among many of the health service's leaders, both in medicine and in administration, as well as most notably among front-line staff. There is utter frustration that the political system has not been able to address these issues, and it seriously undermines attempts to attract key staff back home. One key reason staff will not come home from the United States, the UK or Australia is this constant state of flux and huge uncertainty as to what the future holds. Why would any health service staff come back to a dysfunctional system when they can get jobs abroad where they are valued and they know their role and the direction of travel of the health service in which they work? While pay is one element of it, certainty about the shape and future of the health service is also critical, as well as that sense of being valued and being a key player within it. This is very much missing from our health service.

It seems that with every turn of the political cycle, the health service just gets turned on its head again. This means constant churn in the health service which very much militates against good quality care delivery. At present, the health service has no political leadership. Senior health officials are operating in what is effectively a policy vacuum. That is where there is the potential for the Dáil to play a key role. The election result should force every Member and political party to come to an informed decision, once and for all, on exactly what path we should take to develop the health service and make it one of which we can be proud.

There is actually much on which we agree and it is important that becomes the starting point. We agree that, despite significant public and private funding, our health service does not compare well with most other developed countries. Taking into account all public and private health spending at approximately €19 billion each year, we are on a par with most other European countries in health spend, yet we get very little value for money and certainly little in access to quality services or equity within it.

We all agree significant investment in primary care is vital in order that the model of care can be radically changed. We also all agree that this is in the interests of better health outcomes for citizens and the sustainability of health funding. We agree public waiting times in almost all health sectors are unacceptably high. We agree that, as a country, we are far too dependent

on medication, as well as paying far too much for it. We agree access to diagnostics has to be prioritised. We agree the main chronic disease management programmes should be prioritised and implemented as soon as possible. There is so much more.

Critically, a majority of Members favour a single-tier health service which would serve people on the basis of need rather than on the current model of ability to pay. Ironically, it looks like the party that will lead the minority Government is probably the only one which does not agree we should have a single-tier health service. That may have been the case at the time of the election five years ago when there was talk about a single-tier, insurance-based health service. However, I recall asking the current Minister before the recent election whether he agreed there should be a single-tier health service but he did not quite answer it. That is a critical question. Every other political party in the House agrees we should be working towards a single-tier health service. The issue then is what is the funding model on which we should work.

If there is broad agreement across the House that there should be a single-tier health service, we must examine the best funding model to achieve this. This is the single most important decision on which the political system needs to agree. I would cite the example of Britain where, after the Second World War, the political system came to a shared understanding of what the future shape of the health service should be. Both Labour and the Tories agreed the funding model should be based on central taxation. Accordingly, they agreed upon the National Health Service, NHS. There have been many ups and downs with the NHS but it remains a highly valued public service in Britain, a source of pride for its people, even celebrated when it hosted the 2012 Olympic Games. Can one imagine holding up a tricolour and saying the Health Service Executive makes one proud to be Irish? In Ireland, there is no such cross-party agreement in place. The experience with the last Government was that, while it came up with a radical plan, it did not cost it until the final year of its term.

Acting Chairman (Deputy Catherine Byrne): Deputy Ross, there is only one speaker.

Deputy Róisín Shortall: Then, the final bill showed the plan was unaffordable. Another four years were lost.

There needs to be political agreement on the way forward, starting with the funding model. This can be achieved through an effective cross-party health committee. We need to set out clear objectives as to what we want to achieve through our health service. There is a need to take advice and to be clear about the costings involved. There is a need to listen to experts and front-line staff. Most importantly, there is a need to ignore the many vested interests which have for so long held back Ireland's health service. Too often, our health service policy has been dictated by some of those powerful vested interests in the health service, such as the insurance companies, the pharmaceutical industry, the private hospital system and private medical interests, meaning that very often the needs of the patient have come last.

We need to take a new approach to devising health policy. If a Government is formed in the coming weeks, we will have an opportunity to take that new approach, to work in a genuine all-party way, to use the evidence available to us, to take expert advice and start putting the patient first when it comes to designing a new kind of health service. We should not shirk that responsibility but use it as a real opportunity to do something meaningful and worthwhile to achieve, once and for all, the kind of health service our people deserve.

Deputy John McGuinness: Deputy Ross is deep in conversation with the Minister oppo-

site. Has he an announcement to make?

Deputy Eugene Murphy: He is going back to his roots.

Deputy Eamon Ryan: The Minister's speech was informative and interesting, first and foremost because of some of the statistics outlined in it. The one figure from last year which jumped out was that admissions to emergency departments grew by 9%. While I do not have the figure off the top of my head as to what our population increase was last year, it was nowhere near even 7%. What does that say about the health of our society?

From a Green Party perspective, the first measure on which we have to concentrate when managing our emergency departments, hospital waiting lists and health service is preventing illness in the first place. We need to create a healthier environment for all our people which would see us, setting as our first task in tackling the undoubted crisis we have, reducing the number of the people having to go to hospital. That requires us changing. It requires the Minister with responsibility for food to stop supporting at every stage processed foods that are high in sugar, fat and salt, which is good for the profits of the food processing companies but bad for the hearts and heads of the people of this country. It requires the Minister for Transport, Tourism and Sport to take what is a €100 million investment out of a multi-billion euro transport investment budget to promote the forms of transport that makes us healthier, such as walking and cycling, and to start to increase that as part of our response to the health crisis. It requires the Minister for the Environment, Community and Local Government and others to start designing communities where it will be safe to move in that way so that we start to create a healthy society. That is the first key point. Prevention is better than cure, and we must start that.

Second, regarding the statistics in the Minister's contribution, I will not cite all of them but he cited the putting in place of 343 community intervention teams. He also cited the employment of 800 additional nurses and several hundred additional doctors. He said in a range of areas there were 1,600 new nursing home support scheme places, and so on. The massive increase in investment we have seen through emergency budget provisions in recent years was cited but, as Deputy Coppinger stated, the outcome, despite all those increases in expenditure, still saw an approximate 5% to 6% increase in the number of people ending up on hospital trolleys. We are all aware of that because we all have friends and family members who have ended up in that position. The Minister's contribution was interesting and highlighted a range of public service money we are spending resulting in additional nurses, additional places and additional beds but we are not solving the problem. The fundamental question is not only the amount of additional money we can raise and can keep putting in but how we can start making sure we get value for money and ensure those nurses starting off in their career and those beds are being used in an efficient way, which means we will not see another year-on-year increase in the number of people on trolleys.

I will outline some thoughts on that from the Green Party's health policy, which the Minister or whoever will be the Minister in the upcoming Government might take into account. To start with emergency medicine, we believe we need to strengthen the paramedic service because as first responders they have a critical role. Upskilling them and giving them a real role in managing the emergency process right into the hospital is the right investment for us to make. Apologies for that mobile interference.

Acting Chairman (Deputy Catherine Byrne): I point out to Deputy Ross and the Minister that it is very difficult to hear what the speaker is saying while the Deputy is having a private

conversation with the Minister.

Deputy Shane Ross: I apologise, it was my fault.

Deputy Eamon Ryan: The Minister must have had difficulty hearing what I and previous speakers said-----

Deputy Róisín Shortall: Hear, hear.

Deputy Eamon Ryan: -----so I thank the Acting Chairman for her intervention in that regard.

The Minister set out a range of ways in which we are increasing investment in the employment of additional nurses and the provision of additional beds, but it is not having a proportionate effect in a reduction in either the number of patients going to hospital or the numbers ending up on trolleys in our acute hospital services. The question is how we can be more efficient in everything we do. We would argue that we should start with the paramedic service. We should give the paramedics a significantly increased role in how we manage the process. It is not a matter of them arriving in the hospital, queueing up and that is their business done. From what I have been told with respect to a military medical approach, we believe they could be part of a triage system where they and the local community health centres would be given a key role in trying to reduce the number of people going into the emergency departments in hospitals by being able to make decisions in the front-line, first responders process whereby a person presenting with a certain condition does not need to go to an acute emergency centre but can be treated at a local community health centre or by a local GP. That would provide some flexibility and some triage management of how we get people into hospital in the first place.

Everything in our health policy is directed towards a community health system. Every party is advocating this but the question is how do we do it. We believe that advanced practitioner nurses could play a significant role in addition to the community health centres or community health organisations, which the Minister referenced, in carrying out many procedures in the community. From what I have heard from the small number of advanced health practitioner nurses on the ground, they are having a significant effect in reducing the expenditure incurred in the hospital system because they are working well in providing procedures at home. It is not easy to get such practitioners. They require high-level training. In rural areas in particular they have an even more important role. Their role needs to be combined with that of a local GP service to manage the delivery of rural health services in an efficient and effective way. We need to invest in that process as our first response to the crisis we face.

At the centre of our health policy is removing the division that exists between the primary care and the hospital-based system. While I acknowledge that the doctors among the elected Members would be better able to speak on this point, from what I have been told by colleagues, it appears that GPs do not have sufficient contact right through the hospital process. It would be a better and far more effective system if it were managed through information technology or through a community-centred approach first in order that the community hospital organisations manage the hospital process rather than *vice versa*, and that the GP has a critical role as a patient goes through the hospital system in providing advice and being able to refer case history information about the patient. That is a role for the GP. We see the GP as the central organiser right through the system rather than this extenuated differentiation between primary and tertiary care.

We would argue also that there are a range of advances we can make in the use of digital

information technology and e-health services. While there are people in the Minister's Department seeking to develop that type of technological approach to being more efficient in everything we do, it is not getting the due attention and emphasis it deserves. It is one of the ways in which, first, we can keep people out of hospital by using all these new remote sensory monitoring systems and so on and, second, manage this complex operation. It can allocate resources and patients to the right places. We do not believe we have availed of the full opportunities that exist in the advancement of e-health technology to deliver the efficiencies we need. We have an overriding fear of experimentation, going back to the PPARS example, where there is the perception that whatever a public servant does, he or she should not get caught out investing in some technological system that might not work and that it could end his or her career. We need to stop that and allow for experimentation, failure and local units to devise their own open code software systems for health care management. To use a military metaphor, the US veterans health system is one of the best public health systems in the world. One would not associate that with the American military but it is. It treats its veterans in a highly efficient, very low cost, best quality system. I understand one of the ways it does that is through the use of a range of advanced, open source, collaborative technological applications. That may seem a million miles away from the real crisis here with people lying on trolleys in hospitals today, but in terms of public policy, our job is to use our money wisely for the benefit of patients, and that requires us to be willing not to over-regulate and allow for experimentation, to stop it being a box-ticking exercise and give the health professionals the freedom to experiment and concentrate on the patient. That is what that technology allows us to do.

Acting Chairman (Deputy Catherine Byrne): The next two speakers are Deputies Michael Harty and Thomas Pringle who are sharing ten minutes.

Deputy Michael Harty: As this is the first time I have addressed the Chamber, I would like to thank the people of Clare for the honour of being elected to the Thirty-second Dáil.

The Irish health system is struggling to cope with demands on its services. The fundamental issues currently are a lack of bed capacity within our hospitals, a recruitment shortage of specialist nurses and therapists, a lack of morale within the health service and a lack of long-term vision for the future of our health services. The current model of health care in Ireland is not working in many areas. A new model of care needs to be developed to cope with our changing health needs which include an increase in our overall population, an increasingly ageing population and the funding of new treatments and innovations of care coming on stream year on year. These are challenges which need to be planned for in advance, rather than being reacted to when problems arise. We must develop a ten- to 15-year ring-fenced framework for health planning that will transform our health service into an efficient and effective model of care which will respond to patient needs. Many areas of the health service are functioning very well, including medical and surgical assessment units, which are trying to take the pressure off our overcrowded emergency departments. However, these units need to be expanded in size and opened as seven-day services. The Minister referred to community intervention teams and these are making inroads in allowing patients to be discharged early from hospitals and keeping them within the community. Other services, such as cancer care and cardiology, are now of an international standard. We are delivering high quality care across specialties when given the space and resources to do so. However, our specialist services need to be protected from hospital overcrowding, so that elective procedures are not continually cancelled, thus extending waiting lists that are already long. There is a disconnect between primary care in the community and secondary care in hospital. There needs to be a new integration of care and communication

between primary care and general practitioners on the one hand and specialist secondary care in hospitals on the other. This should form a new model of care where, in so far as possible, patients are looked after in their community rather than in hospital settings.

We must have active management of outpatient lists and increased shared care between chronic disease clinics and our GPs. We must embrace technology. Virtual consultations would prevent unnecessary hospital attendances, while still providing an excellent quality of care. The development of primary care teams is far more important than the development of primary care centres. Building primary care centres and centralising services in one building will not necessarily improve patient access to services or deliver better patient outcomes. However, ensuring primary care teams are properly staffed and resourced will deliver a better quality of care. The provision to general practice of diagnostic equipment and staff would also allow appropriate decisions to be made for patients in the correct and least expensive setting. Rural practices need to be supported, not undermined, as do those practices in deprived areas. Obviously many illnesses require hospital treatment and this is unavoidable. However, if we are to free up scarce hospital resources, we must endeavour to look after our ageing population and its increasing burden of age-related chronic illness, such as diabetes, heart failure, chronic lung disease, arthritis and mental health issues. These need to be managed within the community, thus preventing acute worsening of these conditions and preventing prolonged and recurrent hospital admissions.

Some 99% of patient time is spent living in the community, being looked after by GPs and community-based services, yet the hospital services consume over 90% of our health spending. This spending ratio needs to be refocused to reflect where chronic and preventative care should be provided. The Irish health services require more generalists, GPs and those who specialise in medicine for older people, who can look after chronic disease. Day care services, such as assessment units or ambulatory care units, which review patients in a timely manner, should be part of the new model of care. In these units, patients should be investigated with a view to discharging them on the same day, unlike our current model which is to admit them to hospital with a view to investigating.

Deputy Thomas Pringle: I welcome the opportunity to contribute to the debate on the health services. Three aspects have to be addressed at the same time in relation to improving the service for all our citizens, namely, our hospitals, primary care, and community hospitals. Currently, our hospital works on a nine-to-five basis with consultants. That needs to be extended to working on a 24-7 basis, or at least from 8 a.m. to 10 p.m., 11 p.m. or 12 a.m., so that diagnostics and investigations can be carried out and people can get their X-rays, CAT scans and everything else at weekends as well as during the week. That would go some way to lessening the pressure on emergency departments and easing the burden.

In talking to staff and consultants in our local acute hospital in Letterkenny, I was shocked to hear the consultant explain to me that there are currently three orthopaedic surgeons operating in Letterkenny General Hospital, but they are only doing slightly more operations than were done in the 1980s - 30 years ago - when there was only one surgeon. That is a damning indictment. The reason is that they do not have access to the theatre space or theatre staff to enable them to carry out operations. Under the escalation policy in the emergency departments, for five weeks in a row the orthopaedic surgeons' elective surgery list was cancelled, even though there were available beds in the orthopaedic wards. Those beds could not be used for emergency department patients because of the risk of cross-contamination with surgical patients on the same ward, yet the beds had to lie idle and the elective surgery was cancelled. That does not

do anything to address the crisis in the emergency departments; all it does is lengthen the waiting lists in the hospitals. The staff in Letterkenny believe that by using the theatre space they have and making it work hard, they could halve the waiting lists within a year and end them entirely within a couple of years. That should be the goal of any Government and Department of Health.

Within primary care, as Deputy Harty said, we need to resource primary care teams, not primary care centres, to ensure ancillary staff like physiotherapists and occupational therapists, and everything else are available to those GPs so that they can work, and to allow GPs to refer people directly into the hospital system for diagnostics, rather than having patients going in through the emergency department simply to get diagnostic scans and procedures carried out. Allowing them to be referred straight from general practice into the diagnostic system would streamline the whole process, remove people from the emergency departments and allow GPs to do the work they could and should be doing. That would tie in with the management of chronic illness, like diabetes, as well. GPs are integral to managing that process and could consult with the relevant consultants, rather than tying up hospitals with outpatient appointments, so that people can get further investigations.

Alongside that, we must invest in community hospitals and community care for our elderly people. That is absolutely vital. In my local community hospital in Killybegs, up to two weeks ago, there were five patients in that hospital who could not be released because there was no home care available. In fact, one of those patients will be in that hospital a year this June, simply because there are no home care packages available for them. The HSE is desperately trying to recruit people to provide home help and home care but cannot get them because of the system that has been allowed to develop whereby people might be offered half an hour of work a day over the five days, which is absolutely useless to anybody who wants to get involved and provide that community care. The HSE cannot recruit because of the system that is in place. Who could sign off the dole to take a job where they work seven hours a week over five days? It just does not make any sense. We need to make a career path for people to get involved in community care so that they can have a reasonable contract that allows them to be available to people. Then those five beds in the community hospital can be freed up, which will free up five beds in Letterkenny General Hospital, which will, in turn, free up the emergency department and starts things moving along.

The reason I believe this does not happen is that this actually costs money. Having those five patients move out of Killybegs Community Hospital requires an investment in the community care package for them and that also means those five beds will be taken up straight away. The five beds in the acute hospital will be taken up straight away and there is no saving for the Department of Health. When one wants to save money, one allows waiting lists to lengthen and does nothing. That is the only way to save money in the health services.

Deputy Fergus O'Dowd: I welcome this debate. Taking up the points of the last speaker, Deputy Pringle, I agree entirely with what he said about people needing proper home care packages and proper home help. It was brought home to me not so long ago by a 78 year old lady who gave me a call and told me that she had a half hour per day home help to look after her husband who was 82, had dementia and was doubly incontinent. She was *in extremis* and had no help at home. I went out to visit her and obviously she is doing her best but bedlam is the best way I can describe the home. Everything was all over the place because her poor husband was unable to behave in a manner that one would call normal behaviour. The place was absolutely upside down. I got in touch with the HSE about that and it increased home help hours. It is a

serious issue. People who are looking after people suffering from dementia are fighting a losing battle in terms of the age at which they are interacting with their spouse or family member and also with the lack of care and support they are getting. It is entirely unacceptable in the present day that we do not insist on a bill of rights for people who are suffering from Alzheimer's or dementia. The support services should be there as a right to those families.

I had another case of a family where the lady had Alzheimer's and was up and down the stairs 24/7. She never rested and was constantly moving up and down. Her husband and daughter - who could not work because of the medical situation - could not get her a proper location in the community where she could be looked after. The lack of support for community organisations that provide dementia care in places like Dundalk and Drogheda is entirely unacceptable. They should never have to come to politicians to get the service they absolutely need - it should be there as a right. We need to look at the Alzheimer Society's proposals for a bill of rights for people who are suffering from Alzheimer's and dementia. It is a fundamental issue that we must address because it will be an increasing problem in our society.

When one knocks on doors people talk about people on trolleys. It is a huge issue for families and individuals who suffer greatly, not because they are not getting medical care and attention but because of the proximity of other patients and because of the distress that the often elderly patients are in when they are in the corridor. Most of them are people of advanced years. There will be more and more people living longer in our society and needing care. An awful lot of them should never end up in hospital at all. The reason they end up there is because there are no interventions before they get that far, like the family I spoke about earlier. There is inadequate home help for these families. If somebody has a disability and does not have proper and adequate home help, it means their illness will become more acute and more interventions and hospital treatment will be needed. Proper home care is one of the ways forward.

The other way forward concerns our ambulances and medical staff. When paramedics come to a home they should have the capacity to use the very best modern technology and telemetry to communicate directly with the individual concerned. Obviously the person's consultant may not be available but they could interact with an equivalent consultant. If somebody is very bad with asthma, has a chronic attack of some illness or if a problem with their heart is distressing them in the middle of the night, they would not need to go to hospital if they could be reassured medically on the spot and if the people in the ambulance service could give them the medication that is directed. If we upskill our ambulance staff and improve the technology that our ambulances use, we can keep people at home. We all know that if one has a pain in one's tooth at 9 o'clock at night, it gets worse as the hours go by and one gets really concerned about it. Similarly if one has a very bad headache it is not as acute during the day. There are strategies for keeping people out of acute hospitals and meeting their immediate medical needs without any further distress being caused by hospital admissions.

The debates here on health are always excellent because on all sides of the House we experience the same issues with our constituents. Since the health boards were abolished, the only forum that politicians have is debate in the House with the Minister or in the health committee. A new interaction should and could take place. We are all in different HSE regions. We used to meet in the health board and I see some of my former colleagues in the HSE here. There should be meetings, at least on a quarterly basis, held between all the Deputies for the particular area, Members of the Oireachtas and HSE staff - both acute hospital staff administrators and community care staff. Those meetings should have a public dimension to them. One should be able to challenge those professionals as to why things are happening or not happening and they should

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have the opportunity to tell us as politicians what we should be doing and what we are not doing. That debate which happened in the old health boards was very positive. I never saw a good reason to abolish the health boards because I found they were excellent and kept everybody on their toes, including politicians and HSE staff. If we go back to having a quarterly interaction, which is not unreasonable, there could be a quarterly plan for acute hospitals and community care and a meeting in a public forum to ask for a report or talk about what happened. That is constructive and would increase efficiencies and the transfer of knowledge of which there is a deficit in this House at times.

We meet lots of people who feel they need assistance to apply for medical cards and we have dedicated lines for this. I had an experience yesterday of communicating with the medical card hotline. The issue concerned a lady who unfortunately has cancer. Most of her stomach and half of her bowel was gone and she was being told she was not entitled to a medical card. She applied for a discretionary medical card and part of the reason she was turned down was on financial grounds. That is appalling and disgraceful. When people are suffering from very serious illnesses like cancer and are in treatment, finances should not enter into it at all. There is an issue here about a human being who has an illness which will more than likely kill the person. The important thing for them is to affirm their worth and importance as an individual and their entitlement not to be distressed by all this paraphernalia and bureaucracy. It is a disgrace that this is still going on. There has been a lot less of it in the last year but it is beginning to start up again. Whatever instructions are being given, if somebody has a very serious illness, particularly cancer, and if they cannot eat, why the hell should they have to ring me to get their medical card? They should not have to do that; they should have it as a right. It needs to be addressed and it would be a very positive and constructive thing to do.

The other issue I wanted to talk about was the quality of care in our nursing homes. We are talking about the health service. We spent an absolute fortune on what we call the fair deal. There is a very significant number of people in nursing homes who should not be there at all. I return to the earlier point, which was also made by Deputy Pringle, about proper home care packages and integrated home care. If we had the proper community services for them, they would not need to be in a nursing home. This is not a pejorative comment. If one is ambulant, able to walk around and not in a bed 24/7, one should not be in a nursing home for social reasons. In many cases people are in nursing homes for social reasons. If people can be kept in their home and given all the support they need, it would be far healthier and far better. That is the way forward.

I have 21 seconds left and I will return to my primary point. If there was interaction between the political representatives of the Oireachtas and the HSE executive on a regional level in a public forum, we could get to the bottom of a lot of the problems that we cannot really get to the bottom of in a debate like this. It could be a question and answer session - I am not looking for statutory powers or anything like that.

Deputy Róisín Shortall: But not in a policy vacuum Deputy.

Acting Chairman (Deputy Catherine Byrne): Sorry, excuse me-----

Deputy Fergus O'Dowd: No, I agree. I accept that.

Acting Chairman (Deputy Catherine Byrne): The next speaker is Deputy O'Rourke. Is he sharing time with Deputy McGuinness?

Deputy Frank O'Rourke: Yes. I am delighted to be given the opportunity to contribute to today's debate on health. It is a privilege to be given the opportunity to contribute to a debate on health issues on behalf of my constituents of Kildare North with a view to highlighting areas in the health service where there are significant opportunities for improvement. Before getting to the main points of my contribution, I wish to set in context the points I will make. The health of the nation and the state of the health services available to the citizens always should be on the agenda of public representatives and of this House. No matter how much money is spent on the health services and no matter how good the health professionals are, there will always be a requirement for more resources for the health services. As the population ages, new medical procedures become available and new medicines are developed, the health service will always be in the spotlight and it is Members' duty to ensure it remains there.

Throughout my relatively short career in public life, I have witnessed year in and year out the adversarial approach adopted by politicians on health policy with the Government claiming it is always right and the Opposition claiming the Government policies are not adequate to address the health issues facing the country. Opposition parties must provide an effective challenge to Government policy when it is needed and the Government must defend its policies when it passionately believes they are the right ones. However, the people on waiting lists for vital health procedures will not forgive the politicians if they do not develop a new approach to the formation of health policies, namely, to have open discussions in this House on health policies in which each Deputy's input is sought and all political parties are allowed to have their say. Often the best policies are achieved by collaboration with others and all Deputies should be given the opportunity to have their input. I also believe the great work of thousands of employees in the health service must be recognised. Each day, thousands of health professionals provide invaluable care to many patients who use the health service. In the heated debates that often take place inside and outside this House on health policy and resources for the health service, their work, dedication and professionalism often get ignored. Many people who gain access to the health service are full of praise for the workers there and it is important to recognise their vital contribution and I am delighted to acknowledge their work today.

It is only fair to acknowledge the significant improvements that have taken place in cardiac treatment and the cancer care services over the past 15 to 20 years. As Minister for Health and Children, Deputy Micheál Martin brought forward health policies that had a long-term benefit for the community as a whole, as demonstrated by the cardiac national treatment services and the cancer care services. In common with all Members in this House, health is a constant issue at my weekly clinics. Access to vital health procedures is a challenge, waiting lists are increasing and securing home care for the elderly is a constant struggle for many older people. Moreover, vital services for children are starved of resources and for those who need them most, medical cards seem to be getting harder to secure. In the past week, I have come across two particular cases I believe merit mention in this debate. One pertains to a child who is on an 18-month waiting list for a vital operation to enable the child to walk. In a developed country like Ireland, children needing such treatment to enable them to walk should not be obliged to wait so long. The second case worth mentioning, albeit only because it is becoming more regular at my clinics, relates to securing home help hours or carers for the elderly. It is becoming more challenging for older people to secure home help hours and when they do receive approval for such hours, they are finding it difficult to secure the appointment of personnel to carry out the home help.

A review of information regarding Naas General Hospital in my constituency, which I am

sure is typical of what is happening elsewhere in the country, highlights the need for a different approach. For instance, in March 2015, some 668 people had been waiting more than a year for an outpatient appointment in Naas hospital, which was an increase of 424 people or of 173% over the previous year. Moreover, there are 5,320 people on the outpatient waiting list in Naas hospital and there were 426 people on trolleys there during March 2016, which is an increase of 37 people or of 9.5% since March 2015. While listing off these statistics is effortless, there is a medical need, which in many cases is acute, behind each person included in these statistics. In particular, I believe older people must become more of a focus for health policy and given the projected increase in the number of older people in Ireland, it is important to put in place policies and supports to deal with this reality. In 2006, some 468,000 people in Ireland were aged 65 or older in Ireland, but by 2041, the number of people in Ireland aged 65 or older will be 1.4 million. Care for the elderly can be provided for in their own homes with some modest supports from the Government or its agencies. Older people prefer to live in their own homes and this can be assisted by providing home care packages or home care hours and making their physical environment more suitable for their needs. In Kildare, there has been a decrease of 83,346 home help hours between 2010 and 2015, as well as a significant fall from nearly €4 million to €1 million in the housing adaptation grant for older people over a four to five-year period. The lack of resources for care for the elderly, as demonstrated by poor investment in home care hours and housing grants, means older people are being pushed into care in the hospitals or into residential care, that is, pushing older people into already-strained facilities. It would be much better to facilitate independent living and to encourage people to be minded in their own homes. This reduction in the overall cost of care for the elderly would free up facilities that are needed for many other services.

Deputy John McGuinness: As Members discuss or debate the issues regarding reform of how they and the State do their business and regarding the formation of a government, the need for a new departure in how the health services, the Department of Health and the Health Service Executive, HSE, are managed is becoming clear. I believe Dr. Ronan Fawsitt and other general practitioners, GPs, have outlined a new approach in this regard. This morning, I listened to Brendan Drumm advocate a 20-year plan based on an agreement between all the stakeholders, including Members of this House and the Minister, and I firmly believe this is the way to proceed. Nationwide, GP services are under serious pressure both financially and from the perspective of staffing. Members must understand the reason many newly qualified GPs are going away to places like Canada and so on. If it is money, structures or pressure within the services here, Members must consider how they will relieve all these factors. Consequently, a fresh approach, as well as a cross-party political approach, to health would save time and energy regarding how the health system is managed. As for country GP practices, it is impossible to get final decisions from the HSE on primary care centres, to get an extension to a community care setting or to get permission for a public health nurse in respect of a local practice. Moreover, rural GPs are under a lot of pressure regarding the delivery of a wide range of services in which they wish to get involved but cannot, due to time and pressure. Members must relieve this pressure and if they are serious about primary care centres, they should enter into this discussion and conversation that is going on through Brendan Drumm, Dr. Ronan Fawsitt and the many other GPs who now are holding public meetings.

Mental health services are in absolute chaos. Whether private or public, attempting to get the professional assistance individuals and families need in respect of mental health is chaotic. The number of suicides is significant and Members must ask themselves why. People have been under debt pressures from banks and other institutions, which has pushed them over the

edge and they have ended up committing suicide. This is a serious problem at present and the mental health services are not equipped to do with it. One can get neither timely access to the professionals nor the required level of engagement through these professionals because they too are under pressure. I appeal to whatever Minister will be in place to ensure there is some change in this regard. Similarly, in respect of community health care for the elderly, I refer to Newpark Close centre in my home parish where there is an elderly population. It is impossible to get either the service or engagement from the HSE and I ask the Minister to address this issue.

As Members sit in this Chamber, the issues in respect of the person known as Grace and sexual abuse in foster homes still remain to be dealt with. A commission of inquiry is to be set up and I ask for it to be included as just as much of a priority issue in a programme
I o'clock for Government as the legal issue arising from the courts will be taken as a priority. Those investigations into the foster care homes and into the rape and sexual abuse of young intellectually disabled men and women must be brought to a conclusion in the interests of their families, just as the case of Mary Boyle in County Donegal must be investigated. That campaign, which is being led by Margo O'Donnell, has raised significant concerns regarding child welfare and child protection. The Garda whistleblowers must be listened to in this regard in order that there can be an approach to these problems which can lead to reasonable hope for families and a reasonably healthy life thereafter.

The same can be said about Lucia O'Farrell and the death of her son, Shane. It is a shame on this House that that inquiry led to nothing while all of the evidence spoken about in this House and available to Members of this House showed there needed to be an inquiry and an addressing of those cases, but it was not done.

Acting Chairman (Deputy Catherine Byrne): Thank you, Deputy.

Deputy John McGuinness: Medical cards were mentioned earlier, and I will finish on this point. Some 50,000 medical cards are to be withdrawn. It is an awful reflection on the policy-makers and the HSE that people who are terminally ill and appealing to the HSE for a medical card do not get one. They are often put into a process where further information is constantly being sought although the information has already been made available. It is hugely difficult for public representatives and the clients making the application to engage with the bureaucracy of this State. It is an appalling situation that so many are waiting for those cards and are waiting on trolleys and that nothing will be done.

Finally, the 15 day timeframe for the return of an answer to a parliamentary question by the HSE is not being adhered to. It is being ignored. No respect is being shown to Members of Parliament as we try to deal with issues for the people in our constituencies and throughout the country.

Acting Chairman (Deputy Catherine Byrne): The next two speakers are Deputies Cullinane and O'Reilly who have ten minutes between them. I presume they are sharing the time.

Deputy David Cullinane: Yes, we are sharing time.

It never ceases to amaze me that we have lengthy debates on health care issues in a policy vacuum. It is quite obvious the two parties involved in Government talks at the moment do not have a plan or strategy for health care yet we can come in here and have lengthy debates about how we will solve the problem. At least before the last election, the Minister's party did have a

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plan in respect of universal health insurance but, when he came in as Minister, that was ditched. It has not been replaced at all with any vision as to how we will sort out the problems in health care. We have heard about all of the problems, which have been articulated by members of Fianna Fáil and Fine Gael who have already spoken, in respect of people's medical cards being taken from them, including people who are terminally ill and very sick children. These are people who need medical cards but they have had them taken from them.

Almost every minute of every day, in acute hospitals across this State, including that in my constituency in Waterford, we have patients lying on hospital trolleys. This happens every minute of every day under the Minister's watch and it has happened under the watch of previous Governments as well. We have all the problems in mental health services, especially the lack of out-of-hour services for adolescents. This is a big problem in the south east and it is a big problem for many parents who struggle to support their children - young adults and teenagers - going through difficult times.

Of course, we have the real problems in our acute hospital settings. Capacity has been stripped from hospitals up and down this State. We have fewer doctors, nurses, theatre spaces and beds, all of which has resulted in increased waiting times. I will give all the figures on Waterford, which I got from the HSE, to the Minister. As he knows, I take an active interest in the hospital in my constituency all of the time and not just at election time.

It is also quite obvious that Fianna Fáil does not have a strategy either because I examined its policy very carefully and it can be summed up in five words-----

Deputy John McGuinness: Neither does Sinn Féin. It will not even leave the Government talk.

Deputy David Cullinane: -----which are "leave things as they are". This is the policy being put forward by Fianna Fáil, which is not good enough. We have left things as they are for so long and ended up with a two-tier, unequal health service which is not delivering for people. The real victims are the sick children who are without medical cards, older people who are left without home help and adequate supports, the patients left on hospital trolleys and all those waiting on long waiting lists. We have 8,500 patients in Waterford who have been waiting longer than 15 months to see a consultant. Figures last week showed that 495,000 patients in the State are waiting for hospital appointments. Again, this has been under the Minister's watch. We lost 300 staff in University Hospital Waterford since the Minister's Government took office. Many of them are nurses and junior doctors as well as support staff. Surgical theatre space was taken from the hospital as well as wards and beds closed. The impact of all that is that people are waiting for longer for treatment.

Today I got an e-mail from a constituent who was in chronic pain and had a hip injury seen to in 2011. He went to a private clinic in 2012 because he could not wait any longer to get assessed. He was then referred back to University Hospital Waterford because he did not have private health insurance. In 2013, he eventually saw an orthopaedic consultant at University Hospital Waterford, but he was not treated. He was referred to St. James's Hospital in Dublin. It was only in June 2015 that he was put on its waiting list. He said at the end of his e-mail that the whole ordeal has left him depressed, stressed and unable to support his wife and two children because he is out of work. There are many practical examples which we can give as well as human stories we can bring to this Chamber today. Will the Minister outline his vision for health care because I do not see it?

My final point is a question to the Minister. There has been an awful lot of talk about the need for 24/7 emergency cardiology care at University Hospital Waterford. We do need it; it is very important. However, we had an extraordinary claim from an Independent Deputy in Waterford over the past number of weeks who claimed that, at a meeting with the Minister and one of his senior officials, the senior official said to him - this was relayed to the people of Waterford - that the reason we are not getting the 24/7 emergency care had nothing to do with medical need but concerned hospital budgets in Cork and Dublin. Will the Minister clarify that for the people of Waterford today?

Deputy Leo Varadkar: That is not correct.

Deputy David Cullinane: If it is not correct, it is important that it is put on the public record because that-----

Deputy Leo Varadkar: I am putting it on the public record. It is not correct.

Deputy David Cullinane: I accept that the Minister is-----

Deputy Leo Varadkar: Any decision is not one based on political deals. It is based on the recommendations of the national clinical programme for acute coronary syndrome and that is how it should be.

Deputy David Cullinane: I accept that is what the Minister is saying but that is not what was articulated by that Deputy and I welcome the-----

Deputy Leo Varadkar: The money can be made available if needs be but it will not be done as a political deal.

Acting Chairman (Deputy Catherine Byrne): I call Deputy O'Reilly.

Deputy Louise O'Reilly: I had the privilege of representing workers in our health service for many years. I stood with them as the services they advocate so passionately for were dismantled. This project was started by Fianna Fáil with the recruitment moratorium, among other measures, and taken up fairly enthusiastically by those in Fine Gael and the Labour Party. I have had to support health workers as they tried to highlight the impact of Government policy on their services and on those who depend on those services. I have defended those same workers when their employers threatened sanctions against them for the very act of speaking up and speaking out.

The acting Minister for Health would do well to listen to those people who are carrying the can for the failure by his Government under his watch. There is no point in saying it was like that when he got there because the Minister, Deputy Varadkar, was put there to make a difference. He and his predecessor have presided over unprecedented increases in the number of people waiting on trolleys. That is, of course, after he stopped arguing with the nurses who are counting the trolley waits. I wonder if the acting Minister has ever waited with an elderly relative who had to suffer the indignity of a long trolley wait. Has he ever had to calm down a home help worker after he or she has been told the hours have been cut. These workers need the money and the work but, more important, their clients need the home help hours. I wonder if the acting Minister has seen the human impact of Government actions and, more important, inaction because I think if he did he would spend less time fighting those who deliver health services and contradicting them when they highlight the problems and try to advocate for their

patients.

I represent the constituency of Dublin Fingal. On the Monday after the Minister and I were elected, there were 27 patients awaiting admission to Beaumont Hospital, 17 in Our Lady of Lourdes Hospital and 14 in Connolly Hospital Blanchardstown. The people I represent have to choose between these hospitals because, despite the fact that this is the biggest constituency in Dublin, they have no hospital. In the intervening time, while those in Fianna Fáil and Fine Gael have been jockeying for position in front of every passing microphone and the members of the acting Government have all been in receipt of wages, the number of patients on trolleys awaiting admission or inappropriately placed on wards has risen by 35% in the three hospitals.

We learn from leaks to newspapers that the Minister will be raiding the mental health budget yet again. Ten years on from the launch of A Vision for Change, we see psychiatric nurses forced to highlight the failure of the services to deliver for patients. They recently published a survey, carried out in conjunction with the Psychiatric Nurses Association of Ireland and the Royal College of Surgeons in Ireland, which shines a light on what is really happening in our mental health services. They say that, among other things, there are no multidisciplinary manpower plans in place, limited access to day services and a lack of assertive outreach. I am shocked that anyone needs to be reminded of the need to ring-fence funding for mental health services, but apparently this is necessary so I will say it here today. We need to ring-fence funding for mental health services.

We can only make statements here today, but the Minister can take action. He can stop the ludicrous spend on agency staff, which totalled €250 million last year. He can intervene to ensure public money is not spent where workers' rights are disregarded, such as the case of the 999 workers who are currently engaged in a dispute in Navan. If the Minister so chooses, he can publish the capacity review for our ambulance services. Even now, much can be done to alleviate the impact the two-tier health service is having on people.

The Minister and Ministers of State are still being paid to run our health service. I call on the Minister and his good friends in the Labour Party, who may have lost their seats but, curiously, have not lost their jobs, to take immediate action to make our health service a place where the brightest and best of our young people want to work and where those who are desperately in need of care and treatment can feel safe and know that they will be treated in a decent environment.

Acting Chairman (Deputy Catherine Byrne): Deputies Hildegarde Naughton and Peter Fitzpatrick are sharing time.

Deputy Hildegarde Naughton: In 2002, the then Minister for Health, Deputy Micheál Martin, published the Codd report, entitled Acute Hospital Bed Capacity - A National Review. In his written foreword he said:

For some time, it has been evident that the capacity of our acute hospital system has not kept pace with the increasing demands being imposed on it. The consequences of that under-capacity are well known, i.e. cancellation of elective admissions, long delays in accident and emergency departments, waiting lists for elective procedures and unacceptably high bed occupancy levels in the major hospitals.

I use this quote merely to illustrate that very little has changed. Operations are still being deferred and there are long waiting lists and terrible stories of elderly and ill patients lying for

days on trolleys. We must construct a way forward for our health system. I refer to the Parliament and not the Government on its own or parties or anybody with ideological or immutable beliefs in the supposed best way forward. There is no perfect way, but surely there is a much better way to provide better results for our citizens.

From the days of Dr. Browne, ideas for the reform of health service have been stymied by vested interests - medical, political and others. If we go on in this fashion, our health service will never be fixed. If this debate were to result in Members of the House merely leaving down their political cudgels and resisting the temptation to knock metaphorical lumps out of one another, it would be something to show the people that we are serious about fixing the system and that we are not playing politics with the issue. This is a new Dáil and it is time for a new start.

There have, of course, been improvements in the health service over recent years. If we were honest, we would acknowledge that the last three Ministers have made improvements, but how can a Minister direct health policy when he or she is constantly firefighting?

I will compare the approach in my constituency, Galway West, with that of Cork to illustrate the problems of health management thinking in this country. These are the people who advise the Minister and devise service plans year after year and decade after decade. Cork is currently in the early stages of planning a new 300-bed acute hospital to relieve pressure on other hospitals and provide state-of-the-art accommodation. One of the first things stipulated was that the chosen site should be at least 50 acres, and preferably 100 acres. This was to provide room for expansion and the provision of all necessary ancillary services. There is nothing shocking about that. In fact, it proves that good planning is in place.

I refer to the plans for University Hospital Galway. It plans to build a 75-bed extension, but health management cannot tell us how many additional beds that will provide. The extension will not be on a 100-acre or even a 50-acre site but, rather, a 42-acre site. The site is hemmed in by major roads on all sides, and there are significant traffic issues and virtually no parking. The site is very cramped and a car park had to be removed to make space for a new mental health unit.

University Hospital Galway is not a small local hospital. It is a major acute hospital and one of the busiest in the country. It has the longest waiting lists for inpatient and outpatient treatment in the entire country. It is a regional centre of excellence, offering treatment in a variety of specialisations to patients from Donegal to Clare and as far east as Athlone. It has an occupancy rate of almost 98% and is bursting at the seams. The internationally recognised figure for full occupancy is 85%, yet it is building an extension costing €70 million on an already cramped site and cannot tell us how many beds, if any, it will add.

I and others have tried to get answers for months and the hospital simply cannot provide the information. The real fear, which is not unfounded, is that spending a significant sum of money will provide perhaps only seven additional beds. All of this would be bad enough if there was not a second hospital campus in Galway, in Merlin Park, which has been vastly underutilised over the years. It is located on 150 acres of State-owned land and has acres of empty parkland right beside a dual carriageway system. The people of Galway and the rest of Ireland need a state-of-the-art modern acute hospital with sufficient beds. We urgently need a plan to relocate University Hospital Galway to Merlin Park on a phased basis.

Local consultants need to take the lead on this. We have had the Codd report on the need

for extra bed capacity and the Hanly report on the need for extra consultants, neither of which was implemented. We have lower numbers of consultants than most of the developed world, something which needs to be addressed. To address the issue, consultants need more beds and the development and funding of proper primary care centres in strategic locations to take the pressure off our hospitals and accident and emergency departments.

Deputy Peter Fitzpatrick: I welcome the opportunity to speak on the issue of the health service. The provision of health and hospital services are probably the most important issues regularly raised by my constituents in Louth. There is no doubt that the health system in Ireland is far from perfect. Waiting list numbers need to be reduced, the number of patients waiting on trolleys is still too high and there are too many unfilled vacancies. The easy and popular thing to do is to criticise the health service. Simply attacking the HSE yet offering no realistic or viable alternative is a tactic used by the Opposition benches, in particular Sinn Féin. This is of no benefit to anyone and it is simply a political point-scoring exercise.

Our Lady of Lourdes Hospital in my constituency is regularly in the headlines because of the number of patients waiting on trolleys. It is an issue, but it should not be the only reason the hospital is in the news. It is widely accepted that once a patient gets past the initial admissions process, the treatment he or she receives is excellent. I do not hear any patients complain about the treatment they have received, only the admissions procedures. The system needs to be examined and new ideas considered.

I know from my investigations into this matter from my time on the Joint Committee on Health and Children that in many cases patients do not need to visit accident and emergency departments. In many cases, a visit to a local GP would have ensured patients received the necessary treatment and avoided waiting times in accident and emergency departments such as that in Our Lady of Lourdes Hospital.

Another factor that needs to be examined is that at times patients are not aware of services available in the Louth County Hospital in Dundalk. In many cases, patients could have visited the hospital to get the treatment they required instead of going to Drogheda. The perception among many people is that the Louth County Hospital is closed, but it is not. Since 2010, it has worked tirelessly to develop and expand its services. It treated more than 20,000 patients in 2015 alone. The minor injuries unit was established in 2010 and in 2015 treated more than 9,000 patients. If the service were not available, those patients would have to attend Our Lady of Lourdes Hospital in Drogheda and put further pressure on it. The unit recently expanded its opening hours and the age of the patients it can treat.

The problem in Louth is that not enough people know the unit is open and instead travel to Our Lady of Lourdes Hospital when they could have instead visited the minor injuries unit in Dundalk. We need to raise awareness of the service. I have been in regular contact with the hospital and its manager, Louise O'Hare, about this issue. The Louth County Hospital, far from being closed, provides many valuable services to the community. It currently has 53 inpatient beds over three wards. It has an eight-bed multidisciplinary stroke rehabilitation unit under the clinical leadership of a consultant stroke physician. There are five palliative care support beds for access from Our Lady of Lourdes Hospital and 34 inpatient step-down beds for those patients who are medically discharged from the hospital. There were five beds for medical rehabilitation, and these have recently been increased to ten. In addition to the above, there is a very active and busy medical day services unit which includes a direct access consultant geriatrician providing a one-stop assessment for GP referrals. This service has been increased from

three to five days a week and the waiting list has been reduced from 15 months to 12 weeks. There is also a venesection service, with more than 1,600 procedures carried out in 2015. In November 2015, the diabetic department was relocated to a newly refurbished standalone unit incorporating a diabetic nurse specialist, an antenatal diabetic nurse dietitian and a podiatrist. This is the first unit of its kind in the region and there are plans to expand the service further. In addition to all of this, Louth County Hospital has a very busy day services unit, with more than 5,000 procedures carried out in 2015.

While all of the above is very welcome, I acknowledge that we all need to do more to make the health service more accessible and patient-friendly, particularly at the admission stage. This should not be a political issue; it is an issue on which we should all work together.

Acting Chairman (Deputy Catherine Byrne): Thank you, Deputy.

Deputy Peter Fitzpatrick: All sides of the House agree that changes need to be made and also that simply throwing money at the problem will not solve it. It has been proven time and again that money alone is not the answer. Since the last election, we have all stood here and spoken about Dáil reform and how the Government needs to embrace new ways of doing business. Why not test this now, given that the health service could be an example of how Dáil reform will actually work?

Acting Chairman (Deputy Catherine Byrne): The Deputy should conclude. His time is up.

Deputy Peter Fitzpatrick: By working together as one on the issue of health, we can show how Dáil reform will actually work and benefit the people who elected us to govern.

Deputy Catherine Connolly: I want to tell the Minister that I am here as an Independent, not to lambast or pick up a cudgel, metaphorical or otherwise. I am here to articulate what the people elected me to, which is a different narrative from the one the Minister has articulated. In regard to the health service, people have told us repeatedly at the doors in Galway that they want a public health service based on need, not greed or profit, and they want that in return for taxes. Not one of them asked for a reduction in taxes.

We are here seven weeks now and the Minister has made his first statement on health to an empty Dáil. Presumably the gentlemen and women involved are outside the House, negotiating behind closed doors on health and public health, but not one of them is present to hear what Independents and other like-minded people are articulating today in order to inform a policy for the new Government from the Opposition benches in a positive and constructive manner.

Deputy Finian McGrath: I am here.

Deputy Catherine Connolly: There was one Minister here for most of the morning. I welcome the other colleagues who have now come into the Chamber.

In regard to the Minister's speech, I deplore the lack of vision and the utter failure to recognise the crisis that exists in health, as it does in housing - two issues among a number of other issues that have driven me into the Dáil to have a voice. There is an interconnection between the lack of provision of homes for our people and health. While I welcome the positive initiatives referred to in the speech, I note - I do not want to personalise this with regard to the Minister - that it sums up the complete failure of the outgoing Government and, presumably,

the incoming Government to recognise the extent of the crisis and, more importantly, the utter failure to give a solution.

In his conclusion, the Minister told us that our growing and aging population means that more is required in order to maintain the current levels of health service provision. The current levels of health service provision have led us to a crisis and to all of the stories about people on trolleys, people failing to get surgery and the cancellation of cancer clinics. They have led us to the most recent and deplorable example in Galway, which has been in all the national newspapers, in which a doctor, under extraordinary pressure - I have an understanding of that pressure - pointed out if that if one gentleman who was seeking surgery was to have that surgery, then somebody else's life would be in danger because of the lack of intensive care beds. There was also a letter from a consultant in Donegal. We have seen orthopaedic surgeons marching in Galway and we have seen doctors put their names to a letter about the lack of intensive care beds.

None of this is new - we know it is the case. The question is why. I had the privilege of being a local councillor from 1999 until this year and I sat on a regional health forum, which I used very effectively, with other colleagues, to elicit information. There has been a systematic running down of the public health service and a channelling of money into private hospitals. There was the failed co-location policy, already mentioned by Deputy Shortall, and it took all of our energy to stop the placing of private hospitals on public lands. We had the National Treatment Purchase Fund, an absolute failure, except for providing a window-dressing service for patients. It may help them, indeed, but in terms of the overall system, it is an utter failure and a channelling of public money into private hospitals. We had the special delivery unit from the last Government, an utter failure. We had the creation of a trust system, about which Professor Drumm himself recently expressed great concern. Huge effort and public money has gone into the establishment of a trust system in Galway, which I believe is wrong and amounts to following a failed system in England. Still we go on with more initiatives that are doomed to failure, because the very thing we were asked to do when Dr. O'Rourke wrote to all of us was to look at what is wrong. Let us have an audit and an analysis of the system so we can come up with a solution. Let us stop focusing in on one aspect such as accident and emergency departments - although the accident and emergency service is at crisis point in Galway - because the more we zoom in on that, the more pressure we put on wards that are holding trolleys. Deputy Pringle mentioned Dr. O'Rourke's point that beds remain empty because of the accident and emergency protocol that demands that beds remain empty and cannot be used. We could go on and on about this.

Primary care has been mentioned. I have seen no roll-out of primary care of any substantial nature. The primary care centres that have been rolled out have followed the failed model of building more buildings and then renting them back. The new primary care centre in Galway is costing €250,000 per year in rent alone.

There has been no mention of domestic violence. Some of us attended a conference yesterday at which a startling figure of €1.2 billion per year - year after year - was mentioned as the cost to the economy of domestic violence. For one patient, the cost of admission through the accident and emergency department after she was subjected to domestic violence, plus follow-up care, was €60,000. Yet this does not feature in any debate or programme for Government, as far as I can see. Those at the conference made very moderate demands, all of which would reduce the cost to the Exchequer in the long term.

To go back to the public health system, I am tired of listening to lines such as "We cannot

afford it yet,” “The budget will not allow for it,” and “We will do as much as we can.” That is upside down. This Dáil has to realise that when we put money into public health and keep people healthy, we will actually help the economy to thrive.

I welcome Deputy Hildegard Naughton’s request today for a new hospital in Galway. I have been a lone voice on that matter for a long time. Her own colleague does not agree with her, nor do her Fianna Fáil colleagues. If there is a change, I will absolutely welcome it. There are 158 acres in Merlin Park, while the site in Galway has been built out of all proportion. It has had to move a helicopter pad and a car parking area, all to build what Deputy Naughton has already referred to as a new building whose capacity to increase the number of beds available is greatly in doubt.

To conclude, I will work with any Government in regard to public health when I see a commitment to a vision for public health, but that is what is lacking. It has been lacking not only on the part of this and the last Government, but by previous Governments, beginning with the vision, or lack of it, of Mary Harney and the Progressive Democrats. Their whole vision was for the privatisation of services. That has not changed, unfortunately. Although the political parties have changed, that vision has not changed. This is the vision that I unapologetically stand against in this Chamber.

Acting Chairman (Deputy Catherine Byrne): Deputies Seán Haughey and Jack Chambers have ten minutes and are sharing time with five minutes each.

Deputy Seán Haughey: The outgoing Government introduced five consecutive budgets which needed massive supplementary budgets to keep the Department of Health afloat. The over-run in the Department this year could be between €330 million and €500 million. That is the background to this debate.

The outgoing Government also failed in a number of areas, including that it failed to implement universal health insurance. There are broken promises relating to the abolition of the HSE and there is an escalating general practitioner recruitment crisis. There has been a 42% increase in patient waiting lists in the past year alone. The fair deal nursing homes scheme for the elderly is in crisis. Some 405,000 people are waiting for outpatient appointments. Moreover, we have constant overcrowding in the country’s emergency departments.

I wish to deal with this latter point in particular. The ongoing crisis in our emergency departments is a scandal and the situation raises serious concerns about patient safety. Hundreds of patients, many of them elderly and frail, are being left for days on end on trolleys in corridors and makeshift wards without privacy and dignity as front-line staff struggle to cope without the necessary resources or supports. Patients are left in queues in emergency departments. There is a loss of dignity for patients. There is an infection risk due to overcrowding. In general, patients and patient safety are put at risk. This annual crisis needs to be tackled once and for all. There must be substantial investment in more hospital beds and staff as well as increased funding for home care packages, dementia care and the nursing home support scheme.

I wish to be parochial for a moment and deal in particular with Beaumont Hospital. I make no apology for this. The situation in the emergency department of Beaumont was the major issue on the doorsteps in the recent general election campaign in Dublin Bay North. Over the winter months it was not uncommon for up to 50 patients to be left on trolleys each morning in the emergency department there. This is totally unacceptable. Beaumont has a number of

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particular problems and the catchment area for Beaumont Hospital has a number of special circumstances. It serves north Dublin and the north-east region. The population is ageing and growing. There are a large number of those over 65 years of age, including a large number of people over 85. Many of these older people are living alone. There are fewer nursing home beds compared to other regions in the country. Beaumont has is the national centres for neurosurgery, renal transplantation and cochlear implantation. It also has a cancer centre of excellence.

The fact is that the emergency department in Beaumont Hospital is not fit for purpose. It was opened in 1987 when the hospital itself was opened. There has been no development of emergency department capacity or infrastructure since then. As an initial step the emergency department needs to be doubled in size. The hospital has prepared a capital investment plan. Phase one involves the construction of a new building. This would consist of a new emergency department, a new intensive care unit, a new high dependency unit and new facilities for cystic fibrosis patients. The cost of this project is approximately €100 million. There are also plans for phase two, which include 100 new beds, including single room beds. These will go a long way to prevent the problem of infection in the hospital. Phase one of this project must be sanctioned as soon as possible. I understand, however, that the Health Service Executive capital budget is completely full up. The projects that have been given priority include the national children's hospital and the relocation of Holles Street hospital and the Central Mental Hospital. Therefore, it is a rather gloomy picture for all the other hospitals seeking capital funding, in particular for Beaumont Hospital.

I have no criticism of the management and staff in the hospital. Recently, I met the management team in Beaumont to discuss the situation and I am satisfied that they are doing everything possible to tackle the problems in the emergency department. However, they have to contend with a number of particular issues. For example, nursing homes will not take patients with dementia due to strict regulations. There are waiting lists in the National Rehabilitation Hospital in Dún Laoghaire and this causes problems in Beaumont and other hospitals. Private care companies are finding it difficult to recruit staff and Beaumont is finding it difficult to recruit in general because employees would prefer to go to more modern hospitals.

I make no apology for outlining the position relating to Beaumont Hospital. It has been a major issue my constituency and there has been no capital investment-----

Acting Chairman (Deputy Alan Farrell): Your time is up, Deputy. You are sharing time with Deputy Chambers.

Deputy Seán Haughey: Deputy Chambers is going to take three minutes.

There is a problem with hospital waiting lists as well. Between January and September 2015, a total of 854 operations were cancelled at Beaumont Hospital. Outpatient waiting lists at Beaumont Hospital have dramatically increased by over 570% since July 2014. Since the Minister, Deputy Varadkar, took over the health portfolio there has been an astonishing 579.5% increase in the number of people on outpatient waiting lists for more than 12 months at Beaumont Hospital. From January until September 2015, a total of 854 operations were cancelled in Beaumont. Given the proposed cut in hospital funding of €100 million, the signals are that 2016 is going to be a difficult year for Beaumont Hospital.

I appeal to the Minister and to his incoming successor. The capital project for Beaumont

Hospital is vital. The emergency department is in crisis and needs physical investment. I hope to be able to press the matter with the incoming Government with all the effort that I can manage.

Deputy Jack Chambers: The list of failings and shortcomings in our health care system is long and makes for grim reading. Some of the proposals that Deputies from across the House have made are important and they resonate with people. We need to de-politicise health. We need to look at a longer term vision and strategy, something like the National Association of General Practitioners has proposed, which is like a Tallaght strategy for health. In a fragmented Dáil, it is important that we converge all our ideas towards a longer term strategy. Deputy Shortall referred to how different Ministers have tried to bring in different proposals at different times only for every subsequent Minister to change those proposals. We go through the cycle again and again and we need to change that. We have seen the consequences of constant political change and the over-politicisation of health. In this reformed Dáil, it is important that we try to change how we approach health policy in Ireland.

In discussing our health services it is important to recognise the work of doctors, nurses and all health care workers, for whom it is not only a job, but a vocation. Our greatest asset in the health care system is the people who work in it and the passion and dedication they bring to their work. As I see it, the first issue we have to address is recruitment and the actual numbers in the system. The retention of graduate nurses and attracting home those who have left should be the primary focus. In many cases those who left did not do so because they wanted to. It is true they would have had better pay and working conditions on offer in London, Manchester, Sydney or wherever else and that would have made emigration enticing. Indeed, it is understandable that so many of our best and brightest of this generation have opted to leave. However, many have left reluctantly and out of necessity because of few or no career prospects here.

The nursing in Ireland scheme was drawn up to entice nurses home, but it has been an abject failure. The figures I obtained show that only 83 nurses have taken up the offer. The target was 500. All the while, hundreds of vacancies remain in our hospitals throughout the country. That is one of the core issues. We cannot improve the quality of our health service if these vacancies exist day in, day out. We cannot improve our service if that continues to be the case. Similarly, there has been a brain drain with doctors. In fact, we have breached our own commitments under the World Health Organization code of global practice. We have the greatest reliance on doctors from developing countries among countries in the OECD. That is a great shame for many such countries which are trying to improve their health care systems.

In the context of primary care, we must promote and foster GP services to keep people out of hospitals and thus prevent overcrowding, backlogs and increased waiting times. At present, GP clinics are not being utilised as well as they should. I obtained figures from the HSE this week which indicate that although the free GP care for children under six was introduced in good faith, instead of improving point of access it has exacerbated the issues in accident and emergency departments throughout the country, with people waiting to enter primary care centres. Overcrowding in our hospitals means that every week thousands of elective surgeries are cancelled, the net result of which is that people's suffering and pain is prolonged.

There is one example at a primary care level. I received a response about occupational therapy waiting times in Dublin 15 that would bring home to many what is the issue with regard to primary care. The wait time is between 50 and 65 weeks. That might affect an elderly lady or man who wants to stay in the home and remain independent.

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Acting Chairman (Deputy Alan Farrell): The Deputy's time has expired.

Deputy Jack Chambers: I will be one second.

Acting Chairman (Deputy Alan Farrell): The Deputy is already well over time. He should conclude the point and take his seat.

Deputy Jack Chambers: I will conclude. The funding is there to provide the adaptation scheme but people cannot get the occupational therapy appointments they need. When a person is waiting up to a year for an appointment and occupational therapy assessment, he or she might need accident and emergency department or orthopaedic intervention if he or she ends up in hospital. It is important that we look at improving our allied health professions and intervention at a primary care level.

Deputy Bernard J. Durkan: This is one of many debates of an emergency nature we have had about health during my time in the House. Like others, I spent considerable time as a member of both a local authority and a health board. The conventional wisdom at the time was that the health boards were a failure and we needed to change the structure. The latter was duly done and I am of the opinion that it was a mistake. I held that view for a long time. I agree with those who say the HSE needs to be abandoned and that a new structure somewhat along the lines of the old health board system should be put in place. That system should not be as convoluted as the old model and there should not be as many health boards. The structure put in place should have more clarity of direction and should be able to respond to the needs of the people in a region. The centralised system currently in place is seriously lacking in that regard.

Another issue that must be dealt with as a matter of urgency relates to determining how our health service compares, in terms of expenditure, with those in adjoining jurisdictions. A report was produced some time ago which indicated that we spend relatively more on health services than many adjacent jurisdictions. The question is whether we obtain value for money. I agree with the suggestion that an audit should be carried out in order to discover exactly where our weaknesses lie. What is happening with regard to expenditure in this country compared to others? For example, why is there repeatedly congestion in accident and emergency departments? Is it because of a lack of nursing staff and accommodation or people's failure to get into the system in any other way? The latter appears to be the case. Is it because of a lack of primary care in local communities? This also appears to be a factor. To what extent will the primary care centres address the issue? It has been suggested that the existence of primary care centres does not seem to divert attention from accident and emergency departments in local hospitals. We need to re-evaluate where we are going with our health service. We can spend as much money as we like on it but if it is not spent in the right areas at the right time and with the correct agenda, we will not succeed in making progress. We will have a very expensive health service that does not deliver. Having listened to debates like this on many occasions, that is what concerns me most.

Like many other Members, I am strongly committed to a public health system. It is absolutely essential to realise that we need a strong public health system which is capable of competing with the private sector. Both areas will improve and benefit from that kind of competition. The failure to move into the market and be prepared to compete with others, whether in the public or private sector, is of no advantage to anybody.

We must consider how the numbers in the health service have dwindled in recent years.

This happened for obvious reasons. There was an embargo, which was understandable, and very difficult economic periods. Nobody is suggesting that we could expect an expansion in that environment. However, we need to examine the areas which may have suffered before the embargo and the economic recession. The position relating to them will have become immeasurably worse. If we expect services to improve and become responsive and for the public sector to be competitive with the private sector and have a bright future as a result, we must find out where the weaknesses lie. I tabled a parliamentary question some time ago and I discovered that the biggest single diminution of staff was in nursing, which is the very first area with which a patient would have contact when referred to hospital. I cannot understand how that could have been the case. Everybody who spoke in and outside this House repeatedly mentioned the need to ensure that administration could be reduced as much as possible and that front-line staff could be maintained in every possible way. That did not happen, which is sad. It should surely have been obvious to all of us that this was of primary importance. If those on the front line did not have adequate support, the service would creak at the seams and fail. Consequently, what could be delivered would be diminished. Public confidence in the system would also be diminished.

One of the faults of the HSE is its remoteness. It tends to become centralised and self-dependent and refers to itself as a means to assess its own behaviour. For example, how often have we come across cases where HIQA makes a statement with the effect that a hospital, ward or institution is closed down? It is in the business of health and safety. As a result of its involvement, other issues can be exacerbated in terms of overcrowding of accommodation and use of personnel. To what extent could we at this stage expect a total evaluation of the delivery of the services expected by the general public? They expect us to be able to deliver a service, although I am not so sure about a first-class service. It should be a good service, 24 hours a day and seven days a week. It should not be intermittent and it should not be bureaucratic in nature. It should not be immovable but should be transparent.

Transparency is another issue that should be borne in mind. Under the old system, public representatives and members of the medical profession, including consultants, nurses, chemists, etc., were represented on health boards and they all had the opportunity to make an input. That made for a far better delivery of a more comprehensive and cohesive service and the system worked reasonably well.

The next question is whether the structures in place are adequate to meet the challenges of an increasing population with an expectation of better delivery and a higher quality of response. I am sure many people have had the following frustrating experience. Issues relating to medical cards should be simple enough to deal with - we have all been obliged to deal with such issues from time to time - but the system is not as responsive as it should be. It is completely impervious to the individual circumstances of people. A classic example is the patient suffering from cancer who is suddenly beset with the challenge of all that disease entails. The patient and the family are worried and they need a medical card urgently. A card will be supplied as a matter of urgency provided that other conditions are satisfied. That process could take two or three months or even longer. That is simply unacceptable. If a person is suffering from a serious illness of that nature, his or her life is dedicated to doing what he or she can in order to try to survive. The entire day is taken up with the constant worry and threat of the illness. It should not follow that some bureaucrat sitting in a corner somewhere suddenly decides whether they will get the service.

Deputy Billy Kelleher: Or politicians.

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Acting Chairman (Deputy Alan Farrell): Deputy Durkan, without interruption, please.

Deputy Billy Kelleher: The politicians dictate policy.

Deputy Bernard J. Durkan: We will engage with that again. If the Deputy wants to have an engagement on that issue, I would be happy to accommodate him. I know where the policy came from, but I will not say. The impervious nature of some parts of the health service is entirely due to the fact that the only answer to it was to abolish health boards that had been doing a reasonably good job. I would not go there if I were the Deputy.

We are back where we are now as a result of all those decisions which were wrong. As regards the assessment of eligibility for medical cards, it would be a great idea if the patient's illness could be taken into account in the first instance while dealing with the rest of it afterwards. These situations are hugely challenging for individuals and their families.

Although we each have only a few short minutes to contribute, a debate such as this requires more time. I therefore look forward to a longer health debate in the not too distant future. While I do not claim to have all the answers, I do know a bit about it. I have served on various institutions that led me to getting a first-hand education in health matters. We have the combined wisdom to offer assistance to the Minister or his successors.

Deputy Denise Mitchell: The ongoing crisis in our health service is nothing short of disgraceful, and I do not choose that word lightly. The delivery of health services has deteriorated severely in recent years. This has happened in conjunction with the Fine Gael-Labour Party Government's policy of austerity. Various cuts in the service have left citizens more vulnerable when entering the health system. Nurses, doctors and other hospital staff work extremely hard in the face of exceptional difficulties arising from cutbacks. They are overworked and under-resourced. Only for their hard work and determination the situation would be a lot worse.

We were promised that the scandal of patients being left on trolleys would be addressed by the previous Government, but this has not happened. In fact, the number of patients on trolleys reached a new high under the Fine Gael-Labour Party Administration. Yesterday, 323 patients were on trolleys throughout the country. At Beaumont Hospital in my constituency, 37 patients were recorded as being on trolleys. Furthermore, the cancellation of elective surgical procedures, while less mentioned, is a central part of the fallout relating to fewer hospital beds.

Last week, I was contacted by a patient whose surgery was cancelled at the last minute for the second time. This is completely unfair and unacceptable. In recent days, an equally unacceptable and deplorable act has taken place. HSE officials have said that €12 million of the €35 million ring-fenced for mental health in the previous budget is now being diverted to other health areas. The threat of €12 million being taken away from the mental health budget is deplorable. It is indicative of a Government that is out of touch with the realities faced by many who suffer mental health issues.

Successive governments have failed to provide an adequate level of mental health services. This is despite the fact that one in seven adults has experienced mental health difficulties in the past year. The situation is unacceptable and cannot be allowed to continue. People's lives are being put at risk because of the failed policies of previous governments. There must be a cross-party consensus to solve the health service crisis. I implore all Deputies to support a range of imaginative and intelligent solutions in order that together we can solve the crisis in our health system.

Deputy Imelda Munster: Yesterday, 39 patients were lying on trolleys in Our Lady of Lourdes Hospital in my home town of Drogheda. This was the highest figure throughout the State bar none. In recent years, Our Lady of Lourdes Hospital has consistently been one of the worst hospitals for overcrowding, with patients forced to lie on trolleys in packed corridors. The cause of this is the removal of the accident and emergency department in Louth County Hospital in Dundalk. That day marked the start of the trolley crisis in Our Lady of Lourdes Hospital in Drogheda. People in Dundalk must now drive past their local hospital and travel on to Our Lady of Lourdes Hospital in Drogheda where, if they are lucky, they will face a minimum of eight hours waiting in an overcrowded accident and emergency department.

Another contributory factor to the crisis was the removal of respite and long-stay beds from the Cottage Hospital in Drogheda in 2012. This was flagged up by the cottage hospital action group but the Government refused to listen. Instead it bulldozed ahead with a deliberate policy of downgrading our public health system, while ignoring the misery, distress and pressure this put on patients, their families and front-line staff alike.

This election has shown that despite the Government's arrogant approach to cuts in vital public services such as health, the people have made it clear they want to see more investment in our public health services. They also want to see better management in such services and above all they want better patient care. The public does not want to see a continuation of the monster two-tier health system the Government created. I hope this time the Government will listen.

In Drogheda tonight, SOSAD, a voluntary health service that provides vital intervention for those who find themselves in crisis, has to hold a public meeting because it is on the brink of closure due to lack of funding. SOSAD's presence in Drogheda and Dundalk is invaluable. These are the services that require funding. SOSAD is saving lives by engaging with approximately 500 people every week. Last weekend, we learned that money which we were told was ring-fenced to provide mental health services has not been ring-fenced at all. That is because €12 million has been taken out of the paltry sum of €35 million which the Government committed for mental health service provision this year.

In 2015, we had 554 deaths by suicide. At what stage will the Government stop looking the other way? This is bigger than party politics. It is clear, however, that thus far a broader ideological approach has been taken which views our public health service as a vital private commodity. That is why the Government has pursued policies that have deliberately run our public health system into the ground.

Perhaps some of their cronies are waiting in the wings rubbing their hands at the thought of another public service being outsourced and privatised - well, no more, and not on our watch.

2 o'clock What the people want, as they expressed clearly in February 2016, is a properly funded public health service with better management and patient care for every citizen across the State from the cradle to the grave. Regardless of its composition, every Government has a moral and social responsibility to maintain, fund and invest in a public health service for every citizen.

Deputy Finian McGrath: I am sharing time with Deputy Seamus Healy.

I thank the Acting Chairman for giving me the opportunity to speak in this very important debate about the urgent need to do something practical to assist and support patients and staff

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in our health service. Over the past few weeks, the Independent Alliance has been pushing the major issues relating to the crisis in our health service. At times, we have been criticised by some for doing so. I make no apologies for going into talks to try to resolve the crisis, particularly with regard to the number of people on trolleys and on waiting lists, sick children, people with cystic fibrosis and people with physical or intellectual disabilities. I gave a commitment that I would go in and fight for them, and that is what I am doing every day.

There are many issues relating to the health service, but I have priority issues that I want any future Government to deal with. They include the number of people on trolleys, particularly at Beaumont Hospital, where a crisis exists. Deputy Mitchell said that there were 37 people on trolleys there yesterday. That is not acceptable in any society. It is not acceptable when people gave Deputies a mandate to come in to resolve these issues. There are also problems relating to services for very ill children. Adults and children with cystic fibrosis urgently need services. We also need urgent care for our senior citizens. Above all, we need radical reform and investment in our health service. That is where I stand and that is what I am trying to do. Staying off the pitch in respect of health should never be an option for any Member of the Oireachtas. I agree with some of the points made by my colleagues earlier. I would like to see cross-party consensus. We are in a new Dáil and we are supposed to have a new politics. Let us get on with it.

I accept that we all want a decent health service, but we must face the reality that we must pay for it. That will have to come from general taxation. It will not be popular with some people, including the tax cuts brigade. We also need structural change in our health service. We can start with small changes. We talked about the 37 people on trolleys at Beaumont Hospital. We should target areas like that. We can also start with cystic fibrosis, including the need for 20 cystic fibrosis beds in Beaumont Hospital. We can start small and develop and build on that. The important thing is that we must change the mindset in respect of the management and governance of our health service.

We should not be afraid to say that we have examples of good practice in our health service. We have fantastic doctors and nurses working in our health service. I have spoken about how there should be a cystic fibrosis unit at Beaumont Hospital. A unit opened recently at St. Vincent's University Hospital, for which many of us campaigned for many years. It contains 30 beds in separate rooms with no risk of cross-infection. That is an example of something that is working every day. Those people were taken out of accident and emergency departments and can go straight into an individualised service. We should look at the examples of good practice and implement them and look at examples of bad practice and deal with them.

In respect of this broader debate, politicians should stop beating up our consultants, which is a very popular thing for them to do. We have many top-class consultants. We should stop driving them out of the country. A professional footballer across the water can earn €120,000 per week, yet we have a problem paying some of our consultants their salaries. These consultants, who politicians think are on mega-salaries, also use those salaries to employ staff. I know it is not popular to defend them. I was in Beaumont Hospital last night with a friend who is getting over a major cancer operation. The consultant delivered for that patient. What a talented person to have delivering a service like that at Beaumont Hospital. It might be populist to beat up consultants in the media, including on television and radio, but politicians should stop doing it. The same goes for nurses. There are nurses on low pay.

There are many issues relating to the health service, and I strongly support the call by a

number of colleagues for a cross-party consensus to hammer out solutions for the health service.

Deputy Seamus Healy: I thank Deputy Finian McGrath for sharing time with me. Over the past eight years, something like €4 billion, 2,000 beds and two million home help hours have been taken out of the public health system. That simply must stop. Reinvestment in the system is urgently required. We need a public health system that is based on medical need, that does away with the two-tier system and that ensures that anyone in medical need can have access to health services.

I will briefly refer to three matters that exercise all those who use or work in the health service. The first relates to carers and the directive issued by the HSE about the reduction in home care packages and home help hours. This has shocked and angered the public, and particularly family carers, who give hugely of their time to ensure that family members in most cases are looked after properly in their own homes and communities. They are saving the State millions on an annual basis. I ask the Minister to instruct the HSE to withdraw that directive and make available increased home help hours with the aim of restoring the 2 million home help hours that have been lost over the past number of years. It is a win-win situation in terms of Government expenditure because it is far less costly to look after someone at home, supported by a family carer, than to have that person in a public hospital bed, regardless of whether it is an acute or a long-stay bed, or in a nursing home.

I also wish to mention the suggestion last week that €12 million out of the €35 million earmarked for mental health services is being redirected. Mental health services have always been the Cinderella of the health service. Far from reducing funding for these services, it needs to be urgently increased, particularly to ensure that community-based teams are properly staffed in accordance with A Vision for Change.

I appeal to the Minister to immediately agree to the reopening of what is effectively a new 40-bed unit at Our Lady's Hospital, Cashel, to relieve the crisis at South Tipperary General Hospital. When I spoke here during the nominations for An Taoiseach on the first day of the new Dáil, there were 44 trolleys in the wards and foyer of that hospital, the highest number in the country on that day. On the second day that the Dáil met, there were 38 beds on the corridors. There has been major pressure on the hospital which is working at 130% capacity. The 79 medical beds are operating at 150% capacity. The hospital urgently requires additional beds and step-down beds. It is a scandal that when there is such pressure on the hospital and so many people are on trolleys that there should be a vacant unit at Our Lady's Hospital, Cashel, that is ready to go, fully revamped and refurbished. It is effectively a new building that is available and would address the current problems at South Tipperary General Hospital arising from the huge pressure and the large increase in attendance there.

Deputy Patrick O'Donovan: As this is the first time I have spoken in the House since the general election, I thank the people of the Limerick County constituency for returning me for a second time to Dáil Éireann in what was a difficult election. I was very honoured to be re-elected to represent my constituency. I thank everybody who helped and supported me, including my family, canvassers and supporters. Without such help, neither I nor anybody else would have been elected.

Regardless of who has been in government, health has been an issue on the political agenda since the late 1970s. There has been a lot of talk of Dáil reform and new politics here over the past few weeks, which is very good. It is great to see a bit of interest in trying to reform the

Dáil but the advocates of reform are the same people who tramp in and out of here and try to apportion blame to everybody without looking at the actual health situation. I have been following politics since I was a child and health has always been an issue, including in the 1980s and the 1990s when there were various scandals. It was inevitably going to be an issue when the economy crashed and the country was wrecked. Coming in to apportion blame to one individual or government is not necessarily what people want, particularly as those who do that also advocate a new way of doing politics. We have to consider this with a degree of honesty. The money simply was not available in the past few years to do what we wanted to do. Nobody wants to see problems in the health services. There are, however, some glimmers of hope. Leaving aside the acute accident and emergency situation which has bedevilled every region, there are many positive things happening, particularly in the area of community care.

There is a great opportunity for more to be done in community care. In my region, without any foresight, thought or plan, Nenagh, Ennis and St. John's accident and emergency services were taken out by a previous government. No provision was made in the accident and emergency department in the regional hospital in Limerick which is now the University Hospital Limerick. It was left that way for several years until this Government decided to do something about it. Now that has been done, there is huge pressure on the accident and emergency unit in Limerick which has a knock-on effect on our community hospital network in Clare, North Tipperary and Limerick. If we could relieve the pressure in the accident and emergency department by having a greater level of discharge from the University Hospital to community-based units in Newcastle West, Thurles, Limerick, Nenagh, Ennis and across west Clare, it would be of major benefit. Significant capital investment has gone into St. Ita's Hospital in Newcastle West and there are plans for St. Camillus Hospital in Limerick, but we need to see more of this and at a faster rate because there is an opportunity to relieve the pressure.

I represent probably the most rural constituency in the Dáil, with no town of a population of over 7,000 people. I spoke recently to members of the National Ambulance Service which covers enormous areas in rural counties. During the heady days of the so-called Celtic tiger, no real investment was made in ambulance stations around the country. They are in dire need of capital investment. We also need more of them because of the areas they cover and because the delays in accident and emergency departments are too long. The turnaround is too sharp. Some people wait over an hour for an ambulance to come from Limerick, Tralee or Mitchelstown to places across County Limerick. That needs to be urgently addressed.

Over recent years in this House I have drawn attention to another Cinderella subject, orthodontic care, a matter in which very few people, apart from Deputy Carey and I and one or two others, have shown any interest. This has been languishing on the dust-ridden shelves of the Department of Health for a long time. There is a dire need for some sort of overall strategy to make sure that children across the country who are waiting for badly needed orthodontic care get it. The same is true of many childhood issues which are not topical for many. Maybe there are not as many votes in them as there are for the bigger issues people have already discussed here.

The health issue has been around for a long time and several Ministers for Health have experienced a horrendous time in the Department. A predecessor of the Leader of the Opposition did not refer to the Department as Angola for no reason. It is a very difficult place to be put into, and I wish anybody who goes in there well. If the ethos and concept of Dáil reform is that we are all going to put our arms around each other and do the right thing for the country, we could start with this debate on health. Rather than blaming one person, we could think collectively

about what could have been done and what we can all do.

Deputy Joe Carey: As this is my first opportunity to speak in the Thirty-second Dáil, I thank the people of County Clare for placing their trust in me again. It is a huge honour and privilege to have been elected to Dáil Éireann on three occasions.

As the previous speaker said, health has been an issue in this country for many years, through good and bad times. It must be remembered that when the public coffers were strongest during the Celtic tiger era we had a trolley crisis, as described by the then Minister for Health, Mary Harney. Unfortunately, the Ireland of today still has faults and failings in this respect. We have not addressed the issues well enough in the mid-west region, including Counties Clare, Limerick and north Tipperary. For example, today 41 people are waiting on trolleys at University Hospital Limerick. This is not acceptable and a solution is required. While there is a state-of-the-art accident and emergency unit under construction at University Hospital Limerick, with a completion date of quarter one in 2017, this will not solve the problem. More use must be made of the model 2 hospitals in Ennis, Nenagh and St. John's in Limerick.

Ten years ago, for example, public confidence in Ennis general hospital was at an all time low. This happened because of very tragic misdiagnoses and because hospital-acquired infections such as MRSA and *C. difficile* were rampant. Thankfully, following investment, a new 50-bed wing of the hospital has been opened. It complies with the Strategy for the control of Antimicrobial Resistance in Ireland, SARI. We no longer have to deal with hospital-acquired infections; we have a modern, safe facility now. It is fit for purpose but we must make more use of it. We need to build on the progress that has been made.

The HSE has failed utterly to communicate with the public on what services are available in Ennis, such as the opening hours of the medical assessment and minor injuries units. We need to tell people what services they can get at Ennis and how to access them. I welcome the fact that the opening hours at the medical assessment unit have been extended. An announcement was made this week by Professor Cowan, the CEO of the UL hospitals group. I welcome that the hospital will be open on Saturdays and Sundays from next month. That is long overdue. It is an issue I have pushed as a Deputy. I welcomed the Minister, Deputy Varadkar, to Ennis last year and I raised it with him and his team on that occasion. It has taken that long to make it happen.

I also welcome the discussion to establish a cross-party consensus on health. This is a new Dáil and we have a new opportunity. We have set up committees on housing and Dáil reform. We should also consider establishing a new high-powered committee on health where every Deputy can have a say and put forward solutions instead of pointing out the problems. We need solutions on health.

We need to make progress on a primary health care centre in Ennis. The key elements of bringing together a team of GPs and securing an appropriate building are in place. I have been dealing with groups on the ground in Ennis. I appeal to the HSE to redouble its efforts and to make a primary health care centre in Ennis a priority. We need to divert more people away from University Hospital Limerick and provide them with an alternative location to be dealt with. I believe primary health care centres represent the way to go. The progress in Ennis has been far too slow. I appeal to the HSE to redouble its efforts in that regard.

Deputy Thomas Byrne: I am tempted to call a quorum in light of the absence of Sinn Féin

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Deputies from the Chamber, but I will desist for the moment as we are only starting here today. It is a bit surprising because I know if we were not here today, they would certainly make an issue of it.

This debate is very important. As other Deputies have done with regard to their constituencies, I wish to thank the voters in Meath East who elected me to the Dáil to represent them. They want me to champion a range of services in Meath that we depend on, including Our Lady's Hospital in Navan, Our Lady of Lourdes Hospital in Drogheda, Cavan General Hospital and, indeed, the Dublin hospital service.

We are concerned with protecting all the services that are there to ensure the better health of the people. However, it is not acceptable for me or any other Deputy to come into this Chamber and go back 12 years to a Minister for Health who has long since departed the scene, to go back six or seven years to a previous Government or to even refer back to the last Government to start laying blame for what has happened. That seems to be the tone of much of the commentary from Sinn Féin and the Independents on the issue. Unfortunately, that is all we are getting in this debate, apart from everybody championing their local situation, which, of course, is very important. Fine Gael Deputies seem content to blame the last Government but one and then claim that the last Government delivered and made matters better. Clearly, it did not do so.

If a minority Government comes into being - judging by what the media are reporting right now, that seems a less-than-likely scenario - it will be obliged to realise that it will represent only a minority of the membership of this Chamber. It certainly will not have the monopoly of wisdom on the health services - nor will the Department of Health - and it will not have a monopoly on power either. The converse is also true. In the scenario to which I refer, Opposition Deputies will have a huge amount of power and influence. The Minister and his officials will also need to recognise that. It will not be good enough for us to come into this Chamber and engage in broad attacks on those in government. It will be our role, in collaboration and partnership with the Government, to set the budget, to outline our priorities and to achieve some level of collaboration and agreement.

There are issues in respect of which, quite rightly, there can be criticism and castigation. I refer, for example, to the decision in respect of the ring-fenced funding for mental health. Deputy Munster mentioned SOSAD, a very important organisation across Ireland that originated in Drogheda in the north east. It is considering closing down because it does not receive Government funding. It is one of the organisations that could well have benefited from this money, which has been taken from mental health services.

These decisions need to be taken by all Members in this House. I look forward to engaging with officials from the Department. The latter will have to get used to engaging more frequently with Opposition Deputies in the new scenario because the Minister will effectively be executing the will of the Dáil - which might not necessarily be the will of the Government - and the Government will need to realise that. The Fine Gael Party in particular has been slow to realise that.

A number of things could be done very quickly. Deputy Connolly, on ideological grounds, was very quick to criticise the National Treatment Purchase Fund simply because it involves a private sector element. However, I am certain her constituents do not care how an operation is paid for. These operations all have to be paid for irrespective of whether they are performed by people in the public or private sectors. The waiting lists for operations for hip replacements,

etc., have increased dramatically since the National Treatment Purchase Fund was abolished. It was not abolished due to a lack of funding but because the Government wanted to abolish it and bring in the special delivery unit, which has been a gross failure.

There is spare capacity in the private sector. It would be unconscionable if we were to sit here and criticise the private sector without proposing to utilise the private sector while, of course, getting the best price for it. Let us provide relief to some of these people, particularly older people who are in severe pain, by ensuring their operations are carried out. It is heart breaking to talk to an older person in severe pain because of the need for a hip or knee replacement while people in this Chamber are saying that a solution that exists cannot be pursued for ideological reasons. To some extent, the previous Government brought it back towards the end of its term because it saw that it was practical and could work. I certainly know of people who were getting operations paid for in the private sector. It needs to be brought back and people valued the guarantee to have an operation done within a certain period of time that was there with previous Governments. I urge the Minister and the Dáil to look at this scheme again. Those Independents who see themselves as left wingers should leave the ideology behind, particularly if we can have operations performed and allow people to have their pain removed on a lasting basis.

It is opportune to let the Government know that the broad consensus in Dáil Éireann - this has come from Fine Gael Deputies as well - is that we have a public health service. We should not deliberately move to privatise elements that it is not necessary to privatise. We have seen this across a range of health services. I am concerned about moves within the HSE to transfer some of the administrators into the private sector and into what, inevitably, will be lower-paid jobs. There seems to be a move afoot to get rid of some of the payroll services from the HSE. Some of these have already gone out to the private sector. Staff who provide such services are quite worried about their positions.

The provision of home help services has been completely privatised, though not because of a shortage of home helps. While in the case of the National Treatment Purchase Fund there was a shortage of capacity to do operations and, therefore, we went to the private sector, in this instance it seems to have been an ideological decision to get home helps on a cheaper basis, which is not acceptable. If that is the way the health service is going, we are well on the way to a shabby service and it cannot continue like that. The Dáil must - I believe does - support a public health service that is free at the point of delivery and by means of which people can be satisfied that what they need in terms of health care will be achieved and their right to that care - because health care is a right - will be upheld. Bunreacht na hÉireann confers the right to free primary education. As a medium-term project, we should look at the possibility of the right to health care. It has to happen. We do not have that right. We have a Health Act that depends effectively on the funding that is allocated each year. That is a matter I would like to examine.

The reality is that there are many problems. All previous speakers have mentioned their local hospitals. I think the hospital in Navan is clear at present in terms of people on trolleys. However, it is a small facility. Our Lady of Lourdes Hospital, of course, has 22 people on trolleys and, inevitably, there are some real horror stories among those patients who have to wait. As I said, we must come together to collaborate. However, the latter does not mean that Ministers will not be held to account in this Chamber with regard to the individual decisions they make. The recent decision to take moneys from mental health services was a politically expedient move which went against major policy announcements made by the previous Government, the Minister of State, Kathleen Lynch, and others. This is not acceptable. Lives will

be lost. It sends out a message that once the brouhaha in respect of important issues such as suicide and mental health in general dies down, the Government is willing to turn the other way. That is not acceptable. We must continue to prioritise this area. We are hardly prioritising it by allocating a relatively small amount. There are other priorities in the health service. However, even that amount of money needs to be kept and delivered upon to provide effective services for people who need them in the field of mental health and to show that it is not the poor relation in the health service. It must be shown that it is recognised as an illness that can, in many cases, be treated and that the stigma associated with it for so long is gone. Unfortunately, this type of decision will only worsen that stigma and make the health of the people involved suffer enormously.

Acting Chairman (Deputy Alan Farrell): Deputies Brady, Tóibín and Jonathan O'Brien wish to share time. Is that agreed? Agreed.

Deputy John Brady: Nelson Mandela once stated, "A nation should not be judged by how it treats its highest citizens, but its lowest ones." The World Health Organization's constitution enshrines "the highest attainable standard of health as a fundamental right of every human being." These are not aspirations but the basic fundamentals for a fair society and the bedrock of a true republic. However, this State has failed its citizens and has failed to uphold their rights. The chaos in our health service is a direct consequence of the bad policies of the former Fine Gael-Labour Party Government and of Fianna Fáil before it.

Last year, 92,998 people were treated on trolleys in hospitals. This was the highest number since 2006, representing an increase of 21% in hospital overcrowding. Over 490,500 patients are awaiting treatment or assessment in the public hospital system. Since 2008, there are 8,982 fewer front-line staff working in the health service. It is no wonder there is a crisis.

My constituency, Wicklow, has been served appallingly by successive Governments in the context of the provision of vital health services. What limited health services we did have were eroded by successive Governments. The Fianna Fáil-Green Party Government closed down Wicklow district hospital in 2010, along with 20 beds. It also closed the Orchard welfare home in Bray, which had 39 beds, as well as St. Bridget's ward in St. Columcille's Hospital, Loughlinstown, with the loss of a further 23 beds. The previous Fine Gael-Labour Party Government closed the 24-hour accident and emergency department at the hospital, which served my constituents well for many years and the staff of which did fantastic work. The move to impose the 21,000 patients who used that accident and emergency department on the already overwhelmed St. Vincent's University Hospital was bound to fail and, indeed, it did fail all our citizens. As we debate this issue, 21 patients are lying on trolleys in St. Vincent's hospital. Across the State, 420 people are lying on trolleys. The acting Minister's failures do not stop there. When it comes to the hospital that serves my constituency, 15,306 people are on outpatient waiting lists at St. Vincent's, while nearly 900 patients have been waiting for treatment for over a year. The Minister stated it was his goal to ensure that by the end of the 2015 no patient would be waiting longer than 15 months for treatment. It is now clear he has failed to deliver on that aim.

The true extent of the health crisis does not stop there. Last week, it was reported St. Vincent's University Hospital will stop accepting new patients with malignant melanomas for four months because it does not have enough consultants. Melanoma is the third most common cancer found in the 15 to 44 age bracket. Each year in this State, more than 700 new cases are diagnosed and, unfortunately, there are 100 melanoma-related deaths. As is the case with all cancers, early diagnosis is key to treatment. For patients to be turned away from any hospital

for four months is totally unacceptable. Ultimately, this is a matter for which the Minister bears responsibility. He needs to take responsibility and ensure that the recruitment of a permanent consultant takes place immediately in order that patients can receive the necessary diagnoses and treatment.

We in Sinn Féin have argued that the only genuine way of solving the health crisis is to stop undermining the public health system and start investing in and properly resourcing our hospitals. In our alternative budget for 2016, we outlined how an investment of €383 million would begin to make serious inroads into tackling the crisis. This investment would provide 500 additional nurses, 250 midwives and 250 consultants, thereby helping to alleviate the strain on the delivery of front-line services. In the recent election, Fine Gael's priority was to cut taxes. We all know that when Fine Gael cuts taxes, it prioritises the mega rich above those on low and average incomes. Unfortunately, Fine Gael's type of nation is one judged by how it treats its highest citizens, not its lowest.

Deputy Jonathan O'Brien: I will switch the debate slightly. Many Members have spoken about hospital waiting lists, overcrowding and the lack of hospital consultants. I want to talk about an issue which is important to me but which, unfortunately, is not dealt with as a health issue but rather as a criminal justice issue. I refer to drug addiction. People are dying in doorways and in public toilets as a result of taking overdoses. Only last week in Cork, a 19 year old tragically lost his life because of an overdose. As Deputy Barry is aware, in Cork we have an ever-increasing number of people losing their lives through addiction. The way in which we tried to address this matter in the past has clearly not worked. We have addressed it as a criminal justice issue by criminalising addicts. We even had a situation where a needle exchange programme was shut down because it had given needles to somebody not on its list. Unfortunately, this is an issue we need to re-examine. Drug addiction should be viewed as a public health issue. When people are contracting diseases and dying as a result of injecting or over-medicating, we need to examine that from a public health and not a criminal justice point of view. I implore that this be done.

We had a Minister of State with responsibility for drugs in the Minister's Department who progressed some of the work on medically supervised injecting centres. The heads of that Bill were to be drafted but, unfortunately, because of the current impasse in forming a Government, we do not know where that legislation will end up. I hope that whoever takes over the position of Minister or Minister of State with responsibility for drugs will progress that quickly, because there is no doubt that medically supervised injecting centres will save lives. In the centres that have been opened, there have been no deaths from overdose as a result of heroin use. They have reduced crime levels in those areas and also reduced the number of infections due to intravenous drug use.

I will conclude, as I wish to allow Deputy Tóibín to contribute, but this is an issue that must be dealt with from a public health point of view. We need to stop criminalising addicts.

Deputy Peadar Tóibín: Go raibh míle maith agat, a Chathaoirligh Ghníomhaigh, agus gabhaim mo bhuíochas le Deputy O'Brien freisin.

I want to give two or three examples of the travesty which is the health service currently. A woman in Navan, who lives five minutes from the hospital, had a stroke, but it took 40 minutes for the ambulance to get her to the hospital. She was admitted to the hospital for treatment, but then had to wait to be admitted to the National Rehabilitation Hospital, which took approxi-

mately 16 weeks. She finally got treatment there and returned home after a period, but had another stroke and was readmitted to the hospital. She was brought to the shower room on one occasion by two nurses, but after one of the nurses was called away, the woman fell and suffered a major brain injury. She was then brought to Beaumont Hospital, where she was given a blood transfusion, but it was the wrong blood, which left her unconscious and with organ failure for a number of months. Now in her mid-60s, she is facing the possibility of being in a nursing home, at her cost, for the rest of her life. The HSE has not stepped up to the plate with regard to this case.

Another patient at Navan hospital has been waiting to get into the National Rehabilitation Hospital in Dún Laoghaire for the past six months. When one telephones the hospital one is told he is not there due to a clinical decision when, in reality, it is a resource issue, because they do not have the space.

Believe it or not - this is startling - I know of a woman who stayed in Navan hospital for two years, having been clinically discharged, because the pathway to further treatment was blocked by a lack of resources somewhere else in the system. Her lying in a hospital bed for two years incurred a cost of millions of euro to the State, taking account of the hospital charge per night. She was forced to be there because she could not move on to the next stage of her treatment. There is a massive capacity issue in the health service and it can only be addressed by the provision of funds. There is a need for reform of the HSE as well, but the Government has failed to invest the necessary resources for these issues to be tackled. Until it does so, we will have a two-tier health system, with half a million people remaining on waiting lists for treatment while those who have private health insurance are fast-tracked.

Acting Chairman (Deputy Alan Farrell): Twelve minutes remain in this time slot before I must call the Minister to make his concluding remarks. Deputy Danny Healy-Rae has ten minutes; if he shared three minutes of his time with Deputy Mary Butler, he would have eight minutes and Deputy Mary Butler would have three.

Deputy Danny Healy-Rae: I thank the Acting Chairman. I have raised many of the issues that I wish to raise with the HSE at its HSE South forum meetings in Cork over the years. We have now reached a crisis point in Kerry. One of the issues is the provision of home help services. A lady, a double amputee, was getting an enhanced home care package with 20 hours of home help in County Cork, where she was moved to stay with one of her daughters on being discharged from hospital, but when she moves back to County Kerry she will get only ten hours of home help. With regard to the reduction in home help hours, there is a serious anomaly between the two counties that needs to be addressed. We have been told it is a staffing issue and that the service does not have the necessary funding to acquire more staff. That needs to be urgently addressed. It is not satisfactory that very sick people who are being cared for at home do not get home help at the weekend, on bank holidays, or on Christmas Day, St. Stephen's Day or New Year's Day. That is not good enough.

Kenmare Community Hospital and Dingle Community Hospital are operating at half their capacity, as only half of their bed complement is open. There is only one respite bed in Kenmare Community Hospital for the catchment area served by that hospital. Those who care for their elderly relatives at home - often it is a son or daughter who minds an elderly parent at home - should be able to get respite care for those they care for, but only one respite bed is open in Kenmare Community Hospital. It is a new state-of-the-art building but, sadly, it is only operating at half capacity.

A new mental health facility built on St. Margaret's Road in Killarney at a cost of €40 million was completed almost a year ago but has not been opened. The provision of mental health services throughout the county is a serious issue. What is the delay in the opening of that grand facility? Independent Deputies were criticised over the weekend for having lists of requests or projects to be completed in their constituencies. I make no apology to the Minister for asking him to staff that facility. Funding was provided to build it, and now that it has been built, all that is required is that it be staffed. Regardless of whether the Minister is in office only for a few more days or is the incoming Minister, I ask him to address this issue urgently while it is still within his power to do so.

There is a serious deficit in catering for the needs of physically and mentally handicapped teenagers in County Kerry. Funding for St. Francis Special School in Beaufort has been seriously cut. Despite the fact that we have highlighted the issue to the Minister and other politicians and made it a national issue over the past two years, the facility has been hit with a lack of funding.

There is a serious delay in the provision of orthodontic treatment for young people. I am dealing with the case of a young fellow who will lose some of his teeth if he does not get treatment shortly. The waiting list is such that it could take anything from one year to three years before he is seen. That is not acceptable.

Elderly people who are on the waiting list for cataract operations are in danger of going blind. Some of them have severely impaired vision. Our requests to the HSE to intervene are falling on deaf ears. That is the problem in this country. No one appears to be responsible for what is not being done or for any wrongs that are done. In his role as Minister for Health, the Deputy should be in total charge of what is happening in the health service, but that does not seem to be the way it is. When we ask representatives of the HSE about these issues at HSE South forum meetings, they say they will ask the Department, and when we ask for more funding, they say they have to refer it to the Department. Yet when the Minister is asked about these issues in the Chamber, he seems to say he will refer the question to the HSE. The buck must stop with someone. That is what is wrong in this country. No one seems to be responsible for anything. I am asking the Minister and his successor to ensure that the disadvantaged, sick and elderly people are seen adequately and equally, because that is not happening at present.

Deputy Mary Butler: I thank the Acting Chair for his indulgence. I am a member of the housing committee, so I am learning to run from a committee meeting to the Dáil. Fianna Fáil has consistently argued for the restoration of the National Treatment Purchase Fund. This would reduce waiting lists and waiting times by referring public patients for treatment in private or public hospitals here, in the North or abroad. This could be done with the patient's agreement, taking quality, availability and cost into consideration. It worked in the past and can do so again. These dangerously long waiting times have to be tackled.

We are now in a situation where patients can wait up to 18 months in University Hospital Waterford to see a consultant about a hip or knee replacement. Patients who are in pain cannot endure this long a wait. This will have to change. I will refer to some figures for waiting lists I received this morning. Currently there are 4,426 people waiting on the inpatient day case list, which is slightly up on February, but up 53% since the Minister took over. I cannot understand why the waiting list in Waterford is almost double the combined total of all three hospitals in Cork. There are 223 people on the waiting list at Cork University Hospital, 162 at the Mercy University Hospital and 107 in the South Infirmary-Victoria Hospital, whereas in University

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Hospital Waterford there are 888 on the waiting list. That is a significant number of people impacted by waiting lists.

The setting up of the South/South West Hospitals Group in 2013 has been a retrograde step for University Hospital Waterford. Many people feel the hospital has been downgraded. Let us take the lack of 24/7 cardiac cover in Waterford and the south east region as an example. I have spoken about this already. Why are people living in the oldest city in Ireland being penalised? By providing cardiac cover only from 9 a.m. to 5 p.m. Monday to Friday, we are playing with people's lives. Why should these services be time sensitive in our region? We cannot put time restrictions on the emergency heart issues that people in Waterford and the surrounding areas might have. If people in Waterford or the south east have a heart attack after 5 p.m. or at the weekend, they are dependent on a service in Cork. Mr. Bob Landers, clinical director at the HSE, has stated that best practice is cardiac intervention within 60 to 90 minutes. This is known as "the golden hour". However, this gives patients little hope when they have to travel between 100 km and 120 km to receive treatment. During the winter, with storms battering the country, the main road to Cork was closed for ten days due to flooding between Castlemartyr and Killeagh, with a diversion in place. The prolonged journey on country roads is not best practice for the patient or for the paramedics trying to work on a patient in the back of an ambulance. As first responders, the ambulance workers play a critical role in saving lives.

UK medical guidelines state that a cath lab should deal with a minimum of 100 emergency cases per year. Last year in Waterford there were 80 cases between 9 a.m. and 5 p.m., when the cardiac unit was open to the public. A similar number of patients - 77 - had to be transferred to Cork out of hours. This is a total of 157 cases. We clearly have the figures to support 24/7 cardiac cover. Are we being actively discriminated against? Why should it matter where a person lives? Are we being denied this treatment to maintain the skills of Cork and Dublin-based cardiologists?

I call on the Minister to review this situation. I understand this cannot happen overnight - we need a second cath lab and we need more consultants - but this could be rolled out incrementally. For example, it could be 8 a.m. to 8 p.m. to start, then 8 a.m. to midnight and finally the full 24-hour cover. This was not achieved or improved upon by the previous Government. I appeal to the Minister, if it is in his hands, to look at this again. We are playing with lives here and this has to change.

Another issue is mental health. Mental health issues continue silently to inflict immense damage on our country. The undercurrent of depression and anxiety is a major problem for society. No family is untouched by some form of mental health issue. The affliction of depression is exacting a hefty toll on the day-to-day lives of many people. People with mental health difficulties continue to experience significant social exclusion in Ireland and face difficulties in finding employment. People with a mental health disability are nine times more likely to be out of the labour force than those of a similar age without these problems. In child and adolescent mental health services the situation is more severe, with just over half the required staff in position. All too often we hear about children being placed in adult psychiatric units because there are not enough children's beds. Surely it only compounds the issue to place children in acute psychiatric wards where there are adults with serious issues.

Minister for Health (Deputy Leo Varadkar): I appreciate that we are trying new procedures in the Dáil, but this has been a four-hour debate, in which any number of speakers have made contributions totalling 225 minutes. To be brutally honest, it is not possible for me to

do justice to those 225 minutes of speeches, all of which I was present for and all of which I listened to. In the spirit of the procedures we may develop in this House, allowing a Minister only ten minutes to lay out the state of play and only five minutes to reply to four hours of speeches is not going to work. I can only address one issue, therefore, which was raised by several Members. That related to funding for mental health, which I know has been a matter of public commentary in recent days due to the suggestions of a recent transfer of funding from the mental health budget.

First, I would like to point out that the mental health budget is €791.6 million for this year. It is ring-fenced and it is an increase of 4.4% this year. I have heard people using the figure €35 million. That is the increase in the development funding for mental health. The total budget is €791.6 million. That is €160 million higher than it was when this Government came into office, so it is one of the areas where there has been a substantial increase in funding, whereas in other areas funding has been frozen or has decreased. The €35 million will be fully provided for in the base budget for next year, and the key task is to ensure we get the best value from this investment and that it benefits the greatest possible number of people.

Some time-related savings are being made. Recruitment takes time and while new posts are being filled, it was not possible to fill them all from 1 January. Developments take time - one needs to hire people and to tender - so it was not possible to fill all posts and start all new developments from 1 January. As was outlined on page 8 of the HSE service plan, it was decided that savings from the timing of the implementation of this and other initiatives would be utilised elsewhere in the community. These are known as time-related savings. They occur in other areas of service development and not just in mental health. This is clearly spelt out in the service plan which states that the HSE will use €20 million in time-related savings from these planned initiatives on a one-off basis to continue to provide the 2015 outturn levels of home care and transition care beds, which is above the 2015 planned service level, and to put in place up to an additional €1.5 million in a purchase agreement for vaccines.

The national service plan was approved by the Government last December. It was launched and endorsed by the Minister of State, Deputy Lynch, by me and by Tony O'Brien thereafter. It was approved by a motion of the Dáil following a debate. Therefore, claims of some sort of raid are entirely inaccurate. I do not believe the acting Government should make any material changes to the service plan for 2016. Of course the new Government can do so if it wishes to when it takes up office. I do not believe there is anything to be gained from setting one part of the health service against the other part, and in this case it is people attempting to set mental health against social care for the elderly, and I do not agree with that approach at all.

In the time left to me, I will make one or two other points. One relates to the issue of Waterford, which a number of Members mentioned several times. If something is a matter of money or allocating resources, money can always be found. It cannot be found out of thin air, however. It is found at an opportunity cost of doing something else or it comes from another service, but money can be found. That is the prerogative of politicians: to find money and to allocate it. From time to time, political deals are done in that space, but I do not think it should ever be a political decision or that there should be a political deal when it comes to where we locate specialist national and regional services. That ended a long time ago. The former Minister, Mary Harney, in fairness to her, put a stop to that. She set up the national clinical programmes, which are a partnership of the HSE, the royal colleges and the specialists on a national level.

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That meant that decisions were not made by politicians looking for votes or making promises or by local clinicians who, of course, will always advocate for their local region or hospital no matter where it is, whether it is in Dublin, Waterford, or Cork. Out of that came the national cancer plan. Specialist centres were designated in which services were centralised. It was difficult and there were marches on the streets. It was very unpopular but I think we almost all accept that it was the right decision. I am not prepared to go back to a situation in which the decision on where we locate specialist regional and national centres is made based on political deals. That would be wrong and I would not like to see us go back to that under any circumstances. When it comes to cardiology services, I am not an expert. No politician is an expert. We have a national clinical programme that looks at the numbers and decides where specialist services should be located. That is how it should be done. It should not be based on lobbying, political speeches and certainly not on political deals.

Insurance Costs: Statements

Minister for Finance (Deputy Michael Noonan): I welcome the opportunity to discuss in the House today the important issue of insurance costs and I look forward to the contributions from my fellow Deputies. I am aware of the concern across the House about the increasing cost of insurance. It is an issue for the majority of households and businesses. There are many issues to be addressed and while I will touch on these now when I mention some of the drivers of insurance costs, I do not wish at this time to anticipate the outcome of the review of policy in the insurance sector that is under way in the Department of Finance.

It is important that Ireland has an insurance sector that is not only financially stable but is vibrant for the economy. Consumers, be it individuals or businesses, need to have access at a reasonable cost to the insurance products they require. Healthy competition within the insurance industry should facilitate this, and with regard to competition, the National Competitiveness Council has emphasised that a resilient and well-functioning insurance sector contributes to economic activity and financial stability.

A number of issues are widely reported to be contributing to the increasing cost of insurance in Ireland. Motor insurance appears to be particularly affected with the cost of premiums reportedly increasing by between 20% and 35% in the past 12 months. The cost of insurance is determined by a number of factors, some of the most significant of which are the frequency and scale of claims, the cost of claims, and the operation of the insurance market. Both the insurance industry and the Central Bank state that the frequency of claims has increased over the past year, associated with improving economic conditions. They also state that the number of large claims has also increased. I am informed that a number of changes taking place within the claims environment in Ireland are making that environment volatile, which in turn is increasing the claims costs for insurance. These factors include increases in court jurisdiction since February 2014 which is possibly leading to increased legal costs, the increased engagement of solicitors in the handling of claims which reportedly leads to cases taking longer to settle and an increased cost per claim, and a recent High Court ruling that has reduced the discount rate in the case of catastrophic injury awards. The view has also been expressed that uncertainty over the costs from court awards is another driver of claims inflation. The insurance industry reports that there is a high level of insurance fraud in Ireland and it is reported that Ireland has a comparatively high number of uninsured drivers. This in turn leads to increased costs on the insurance industry which handles resulting claims through the Motor Insurers Bureau of Ire-

land. All of these costs are fed back to the consumers through increased insurance premiums.

I wrote to the Governor of the Central Bank of Ireland last July seeking a report setting out his assessment of the outlook for the insurance sector generally. I was advised that the Irish insurance sector emerged from the initial stages of the global financial crisis relatively unscathed. However, the ensuing downturn in Ireland, together with the low interest rate environment, has challenged the sector over the past five years. Non-life insurance is a business with its own internal cycle that is reflected in varying premium levels and profitability over time. Competitive conditions within the insurance market intensified in recent years and firms' focus on maintaining market share provided impetus to lower premiums. Until recently firms enjoyed a prolonged period of reasonable investment returns on the asset side of their balance sheets. This income stream provided firms with the scope to compete aggressively on price. However, recent reversals in investment markets worldwide have generated investment losses. This issue of lower investment income returns is an industry-wide problem which is expected to continue for the foreseeable future, unfortunately.

The Central Bank has advised me that recent premium increases are designed to restore core underwriting profitability and to secure the financial position of the firms concerned for the longer term. Profits which are retained are the source of internally generated solvency cover. As Minister for Finance, I am prohibited from interfering in the cost of insurance products. Also, the Central Bank would only have grounds to issue directions to firms where they price and operate in a manner that would endanger the firm as a going concern and so undermine the interests of policyholders.

I have outlined a number of the issues facing the sector and reasons put forward by differing parties for the increased cost of insurance in Ireland over recent years. As Members will be aware, to examine these issues in more detail, I have asked my officials to undertake a review of policy in the insurance sector. This is being undertaken in consultation with the Central Bank of Ireland and other Departments and agencies. The objective of the review is to recommend measures to improve the functioning and regulation of the insurance sector.

The first phase of the review of policy in the insurance sector is concentrating on an examination of the framework for motor insurance compensation in Ireland after the failure of Setanta. This work is being conducted by a joint working group comprising officials of my Department and the Department of Transport, Tourism and Sport, which began its work in January of this year. The terms of reference for this review set the objective of identifying the features of a motor insurance compensation framework that is comprehensive, effective, affordable and consumer focused. This is important. The joint working group has met a number of key stakeholders with an interest in the insurance compensation framework in Ireland, including the European Commission, the Irish Brokers Association, the State Claims Agency, the Central Bank, Insurance Ireland and the Accountant of the Courts of Justice. The joint working group will shortly report to me and the Minister for Transport, Tourism and Sport with recommendations for our consideration. In turn, these recommendations will be submitted to Government in the coming weeks. I look forward to seeing these recommendations. It is disappointing that Setanta claimants have not yet been paid as we continue to await a clear outcome of the *Law Society of Ireland v. the MIBI* court case. We must, however, fully respect the judicial process and hope for an early decision on whether the MIBI will be given leave to appeal the case to the Supreme Court. For now, the review of the motor insurance compensation framework can examine the issues and make recommendations going forward.

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The outcome of this work will feed into the wider review of policy in the insurance sector. This review will include an examination of the factors contributing to the cost of insurance. The Department of Finance is working closely with the Central Bank of Ireland and has met a number of stakeholders, including the Department of Jobs, Enterprise and Innovation and the Injuries Board. The Department of Jobs, Enterprise and Innovation has advised that the Injuries Board expects to have the revised book of quantum ready as soon as possible. It is important to be aware that the book of quantum is not a recommendation for compensation levels but rather a reflection of the prevailing level of awards, that is, compensation values awarded by the courts, settlements agreed by the insurance industry, settlements agreed by the State Claims Agency and settlements agreed through the Personal Injuries Assessment Board, PIAB, process. Another issue that has arisen as part of the review has been the lack of insurance data and statistics. The lack of data presents difficulties from a policy analysis and development perspective. However, data are not useful unless they are comprehensive and are presented in a standard format. Apart from statistical analysis, insurance data can be very useful in the reduction of insurance fraud and efforts to reduce the numbers of uninsured drivers on the roads. My colleague, the Minister for Transport, Tourism and Sport, will raise specific issues with the insurance industry regarding the establishment of a motor insurance database. The co-operation of the insurance industry is important if we are to make progress and the issue is being examined as part of the ongoing review. The consultation process will continue over the coming months and will extend to other stakeholders, including certain motoring interest groups, in due course.

While the review will examine the issues, it then will be necessary to approach the relevant areas to ascertain where improvements can be made that can feed into reducing the cost of insurance. Deputies should note it will continue to be the case that insurance premiums will be priced individually by insurers, which use a combination of rating factors in making their individual decisions on whether to offer cover and what terms to apply. My officials will continue working on the review of policy over the coming months and the work is expected to be completed by the end of this year. The final report then will be presented to the Government. As I stated earlier, the parts of the review related to the insurance compensation framework will be completed first and the recommendations of the group are due to be submitted to me and to the Minister for Transport, Tourism and Sport in the coming weeks.

Finally, I wish to touch on the issue of insurance and flooding. It is important that home owners have access to insurance to cover unforeseen losses, including through flooding. A fully functioning insurance sector should be able to provide this at a reasonable cost. The Taoiseach and some other colleagues of mine in government met representatives of the insurance industry in January to discuss the industry's role in providing flood insurance. Government policy on flooding is focused on the development of a sustainable, planned and risk-based approach to dealing with flooding problems with a view to addressing the increased availability of flood insurance. To achieve this aim, there is a focus on prioritising spending on flood relief measures and on the development and implementation of plans by the Office of Public Works, OPW, for flood relief schemes. This strategy is complemented by a memorandum of understanding between the OPW and Insurance Ireland that provides for the transfer by the OPW of data regarding completed flood defence schemes to the insurance industry and which should provide a basis for the increased provision of flood insurance in areas where works have been completed.

My officials are undertaking research in the area of flood insurance that will include an analysis of the different approaches to flood insurance taken in other countries. This then will feed into a report to the Government from the interdepartmental flood policy co-ordination

group, which is expected to be completed before the summer. It also will feed into the overall review of policy in the insurance sector being carried out by my Department.

To conclude, the cost of insurance is a complex issue involving a number of different parties, including Departments, State bodies and private sector entities. During the course of the review my officials are undertaking, preliminary views already have been obtained, which I have outlined to the House. In addition, a significant amount of work has been done by the joint working group on the motor insurance compensation framework and its recommendations are due in the coming weeks. I expect more progress in the area of insurance during the course of 2016. I thank the Acting Chairman and colleagues for their time and I look forward to the contributions from all interested Deputies in the course of the discussion today.

Acting Chairman (Deputy Bernard J. Durkan): I call Deputy Calleary, who I understand proposes to share time with Deputy Michael Moynihan. Is that correct?

Deputy Dara Calleary: Yes, with six minutes and four minutes, respectively.

Acting Chairman (Deputy Bernard J. Durkan): Is that agreed? Agreed.

Deputy Dara Calleary: I thank the Minister. I revert to his final remarks and agree the cost of insurance is a complex issue. However, urgency to address that issue is missing but is absolutely necessary in the context of motor insurance premiums initially rising by 32.3% over the past 12 months and of house insurance premiums rising by a minimum of 10%. I met a gentleman this morning whose insurance premium for this year was €970 but for whom the cost of the premium for the next 12 months has risen to €1,495. This is without a claim, anything in the area to do with flooding or anything that would point to the reason for such a premium. While I acknowledge this issue is complex, urgency is what is needed and it is particularly complex when one does not have the money to pay for it. The choice then is one either leaves it aside and does not insure one's assets or one gives up something else. People will not be happy to hear that insurance premiums are increasing purely as a result of investment losses. Once again, ordinary people must pay for the mistakes of highly paid professionals who are getting away with it all and this burden and cost again goes onto the citizens of the State. There have been many reviews and discussions during the two years since Setanta Insurance closed. While I accept there are legal cases regarding that specific incident, the principles, which are what are driving many of the claim increases at present, could have been dealt with during that time.

There also is a serious issue with health insurance and public liability insurance and once again, the courts are making decisions that are bringing us back 20 years in respect of claims and settlements. There must be urgency in addressing various items of information that should be provided to courts in this regard. I point to the success of the Motor Insurance Advisory Board established in 1998, which reduced motor insurance costs by 40% between 2002 and 2013. The Personal Injuries Assessment Board arose directly from that process but has been frustrated at every turn by members of a legal community who do not wish to lose control of this particular highly lucrative market for themselves. Moreover, during the term of the previous Government, the Legal Services Regulation Bill was introduced on Second Stage in December 2011 but its Final Stages were rushed through the House, in a much watered-down form in January 2016 because the Labour Party refused to stand up to the legal community to ensure that citizens got a better deal. This is another element of the complex pattern to which the Minister referred and that is driving this on.

As for motor insurance, the Minister also mentioned the large number of uninsured cars. This should not be the case because the State has the technological capacity to ensure that on purchasing a car, a person's insurance can be linked to it. This also is a result of reduced Garda patrols, if that has an impact. If the Minister does not believe in the veracity of this claim, to tackle that claim he and the Department of Justice and Equality should be able to provide statistics showing the level of enforcement pertaining to uninsured cars. Finally, on motor insurance, while I acknowledge Members have had a lot of engagement with the Minister of State, Deputy Harris, on this issue, I refer to the petrol stretching that occurred in August 2014 whereby contaminated petrol entered the system. It was bought from reputable retailers who did not know they had it by motorists whose cars were destroyed as a result. In many households, both cars were destroyed. Such cars in rural areas are not luxuries but are needed to live. Serious damage was done in respect of insurance claims and premiums were increased considerably. In some cases, older people who had made no claim for many years lost their no-claims bonus through no fault of their own. No compensation was given to these people and there has been very little follow-up regarding the impact. I again ask the Minister to look into this matter to ascertain what occurred. Petroleum products are one of the biggest producers of tax returns in Ireland and the Minister, his Department and officials surely must have an element of control over the supply that would enable them to know from where that supply came. Many people now are paying additional insurance premiums and many others who were not affected are paying because the insurance industry is using this event as an excuse.

I have been raising the issue of the impact of insurance increases on businesses with the Minister, Deputy Bruton, for many months. This is not a shock and the level of increases evident in the consumer price index cannot be a shock to anybody. Increases of 30% in motor insurance premiums have been occurring. We are all subject to it ourselves in terms of our own premiums. Businesses have been hit with major insurance costs for 18 or 19 months now and they cannot sustain the increase. They do not have the revenue to sustain it. In particular, small businesses which are struggling cannot sustain it. It should be apparent to the Minister now that there is no recovery to keep going. This is one of the elements ensuring people do not have that extra cash he thinks they should have in their pockets or businesses. It is going to pay costs over which they have no control and they see a Government that is not acting with urgency.

The incoming Government must address this urgently. It is a matter of concern that two Departments are once again fighting for control. There is the Minister's Department and the Central Bank and then there is the Department of Jobs, Enterprise and Innovation. One person needs to come in, take charge and address the issue. If we keep sustaining and standing over insurance increases such as these ones, they will undermine people's ability to live and do business and their ability to create employment.

Finally, unless the petrol stretching issue is brought to a conclusion, people's faith in the justice system will be undermined. Anyone who has suffered from that issue will also be undermined.

Deputy Michael Moynihan: I thank Deputy Dara Calleary for giving me a few minutes to speak on this subject. Insurance cost increases are a very serious issue right across the spectrum. Many Deputies have spoken on the drastic increase in motor insurance costs, which is adding to the bills of already hard-pressed and overstretched families as well as those of the business community. Deputy Calleary has been raising this issue over the past number of months at committee level with the Minister, Deputy Richard Bruton, and others, but we have reached a crisis point.

I have met many proprietors of businesses and, depending on their business, they have seen their insurance costs increase by drastic figures. I am absolutely shocked at the figures they quoted to me. There is a further piece to the issue, which is where the business owner has to put up the first €10,000 of every claim and this is adding to the cost. If they have one or two claims, not alone do they have to pay the insurance premium, but they have to pay out perhaps €20,000 on top of all of that.

The point is that many of the underwriters - the people providing these insurance policies - have left the Irish market. This is a fundamental difficulty. Operators have left the Irish market and, in some instances - I do not want to be specific - there are only one or two insurers remaining. They are based in London and are quoting for business in the Irish market. It behoves the Minister and the Department of Jobs, Enterprise and Innovation to have a serious look at this issue. They need to bring in representatives of the insurance industry to examine the issues.

My colleague spoke about the costs involved. We have seen high profile cases in the past couple of weeks in respect of claims. We have to take a very serious look at the issue. If what has happened over the past 14 months continues over the next 14 months, many small businesses will be priced out of the insurance market. They are taking out insurance against every eventuality. On the car insurance side of it, we have seen young people returning from other countries. Having emigrated, they have been out of the country for three or four years and they are being asked for somewhere in the region of €3,000 to insure an ordinary 1.6 litre or 1.8 litre car. That is not acceptable.

It seems to me that the insurance companies are now looking at every little dent. If every A, B or C is not met, every i not dotted and every t not crossed, they will add a further 10% to the premium. Many have spoken about the insurance industry and non-attainability of insurance. Fundamentally, the point I would make is that if the insurance industry keeps going unchecked over the next 14 months as it has done over the past 14 months, many businesses in both urban and rural Ireland, which have been providing jobs, employment and improved standards of living for people in their communities, are going to cease to trade because they cannot pay the premiums. They cannot insure their businesses properly because of the way the insurance industry has been handling this issue.

We have to examine why the underwriters are leaving the Irish market. What is the difficulty? It is high time the Departments of Finance and Jobs, Enterprise and Innovation sought an urgent meeting with the insurance industry. This is continuing and high premiums are being dished out right across the spectrum every day of every week. People are getting exasperated by it and the time for action is right now.

Deputy Pearse Doherty: I welcome today's statements on insurance. I will focus on motor insurance. We have heard that the CSO has claimed that premiums have risen by more than 30% in the past 12 months. The insurance industry and others have been quick out of the traps to try to explain this huge increase. It points to bigger claims payouts, fraud, Setanta Insurance, regulatory costs and so on. In fact, according to the insurers, everyone from the claimants to the legal people who represent them to the cases, the judges and the fly-by-night companies are to blame. While there is truth in all of that, I am not convinced it is the whole story. It is time for us to ask ourselves fundamental questions about the business model used by motor insurance companies in this State over the past period. It is time we asked questions about whether the regulator has done its job in ensuring the industry has been operating in a sustainable way.

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In documents from the Central Bank, which I have seen under the freedom of information regime, the bank explicitly states: “A number of insurance companies took a very optimistic view of future economic outlook, built up unsustainable overheads and followed an imprudent pricing and underwriting approach which resulted in companies’ business plans becoming less resilient to downside risks such as an increase in frequency and severity of claims.” This was a comment to the Minister for Finance from the Central Bank. The question I ask myself is why the Central Bank allowed insurers to conduct business in this unsustainable and imprudent way. If the bank did not possess the powers to intervene and prevent it, then why, as legislators, did we not give it the powers? Did it ask for those powers?

I wrote recently to the Central Bank asking it to expound on comments attributed to it in a parliamentary reply, in which it was stated that investment performance was dragging down profitability and, therefore, increasing prices for the driver on the road. In its reply to me, the Central Bank explained in stark terms how the old model of relying on investments and bonds was no longer covering the lack of profitability in the underwriting business for insurers. We can see from the figures that investment income attributable to loss in 2012 dropped from €278 million down to €176 million in 2014. The actual loss was more severe if one looks at 2012 to 2013. That is more than €100 million of a loss in those two years. That is more than Setanta Insurance would cost the entire insurance industry.

I accept we have to get into the nuts and bolts of this issue. How did we allow an insurance company to operate in this unsustainable way? I accept there are regulatory changes we, as legislators, can examine which will have an impact on premiums. However, we must act in full knowledge of the facts. It is beyond doubt that regardless of what policy changes are made, as long as the business model for insurers is based on speculating, drivers will continue to live on a see-saw of premiums in a boom-and-bust scenario based on factors completely beyond their control. We need to end that situation. We must, however, examine what we can do in the immediate term given the seriousness of increased premiums and what they mean for all drivers, especially young people, small business and those living in rural areas.

In recent weeks, I have heard from constituents and others outside my constituency who recalled their dismay at having been quoted astronomical premiums by insurers of late. I will give two examples, including a taxi driver in County Meath. The cost of his insurance last year was €1,400. Fast forward 12 months and he finds himself being charged €7,000 for the exact same level of cover. This is a 400% increase, but the prospect of seeking cover elsewhere is not an option due to his having an open claim against him. He, therefore, cannot move to an alternative insurance company. Consequently, this taxi driver is left with no other option but to borrow from a lender simply to meet the cost of his deposit; otherwise he will lose his taxi plate and thus his livelihood in the process. Another case concerns a 27 year old farmer in Donegal who has a full licence and has been on the road since his 18th birthday. He has had no accidents, no previous claims and no penalty points. Last week he sold his car simply because he could not afford the insurance premium quoted to him by his insurer, which saw the cost of his insurance rise from €476 last year to €1,437 this year, an increase of more than 200% and far above the 30% hike the industry quoted and that we see in the CSO figures. I could continue to tell the House more stories of the 100%, 150%, 200%, 300% and 400% increases I have heard about from constituents on an almost daily basis.

We need to bring clarity to a number of issues that the insurance industry has claimed are a burden and that may continue to be a burden into the future. We need to determine whether the Motor Insurance Bureau of Ireland, MIBI, or the Insurance Compensation Fund, ICF, will take

up the bill if an insurer goes bust. In the case of Setanta, it is likely that the Supreme Court will ultimately decide who picks up the tab - the MIBI or the ICF. If it rules that it is the MIBI, then the Central Bank estimates that this will result in a 3% increase in the insurance premium of every individual over a three-year period. If it rules that the ICF is liable, the 2% levy will be extended for a long duration. Given that it is ultimately the customer who funds both sources, it is a case of heads, the driver loses, and tails, the driver loses.

There is a bigger question: what happens if there is another Setanta or something on the scale of Quinn Insurance? The person who has a claim against that type of company would rather the MIBI were liable, because there would be a 100% payout and no upper threshold. The reality is that if the MIBI were liable, there would be a dramatic rise in premiums over a short period, which would not be good for other customers. The solution is that the ICF should be liable, but there should be no upper limits and no percentages. That would allow for a longer period to deal with a company such as Setanta that becomes insolvent in the future.

We are all aware of advertisements that tell us that €50 of an insurance premium is a result of fraudulent claims. Fraud is one of the reasons given by the industry for the significant increase in premiums over the past 12 months. The Minister mentioned it again today. Insurance fraud has always been with us. While I do not contest the impact on premiums, unless we are presented with a breakdown of the increase in the number of fraud cases over the past 12 months, it cannot reasonably be argued that fraud is largely to blame. The fact remains, however, that insurance fraud exists and is viewed as acceptable by many people. As legislators, we must determine what we can do to minimise, prevent and stamp it out. I do not see how fraud can result in an additional cost of €50 this year on insurance premiums when it was €10 or €5 last year. Last year it was probably the same figure.

It has been suggested that the Court of Appeal Act 2014 is something that needs to be addressed. It appears that it is working contrary to its intention in terms of legal costs and their burden on legal cases. It is something we need to examine in detail.

The Minister mentioned the book of quantum, something that has to be dealt with urgently and on which we need buy-in from the legal profession in regard to cases that will be contested before the courts.

Inflated claims have been offered as another reason to explain the significant hikes in insurance costs for some drivers. There is no doubt that claims have increased. Statistically, the level of personal injury awards is climbing, but over a period of five years the figures are hardly dramatic. The highest spike was in High Court awards, which are, on average, €85,000 higher in 2014 than in 2010. This is a significant increase. It would be interesting to ascertain how many cases make it to the High Court in order to determine if and by how much this figure is a cause for concern. We need information on how many people actually availed of an increase of €85,000 and whether it justifies an increase in premium costs of 30% across the board and 200% or 300% for certain individuals. The figures for the Circuit Court show an increase of €900 in claims awarded over the past five years. That is significant, but the 2013 award figures show they were €700 less than in 2010. Sometimes relying on figures is dangerous. That is why we need a full set of data in order to determine what is behind the significant increase in premiums. These are all issues my party is prepared to examine. It is to be hoped that all Deputies and parties are prepared to act wherever we can.

I welcome the Minister's mention of the review group. I note from the papers I have seen

that the work was supposed to be concluded and a report issued by the end of March. That has not happened, which is unfortunate. We need to bring that forward as soon as possible. It is important that we dig deep into my concerns about the business model underpinning the industry and not just the five issues that are presented time and again.

There needs to be more transparency about what is happening. There needs to be far more regular reporting about what is happening in Britain in terms of insurance companies that operate here. We can learn other lessons. This is work that the future joint committee on finance should undertake as a matter of urgency as soon as the report is brought to the Minister and laid before the Dáil.

Before we try to referee, we need to make sure the game is not rigged. We need transparency about the real reasons behind the dramatic increases in premium costs and we need to know whether we are tweaking a broken model and whether real reform of the insurance market is required. Serious questions need to be asked. If a financial institution such as a bank lost an investment of €100 million in the past two years, it could not decide to increase the interest rate on credit cards from 18% to 38%. The Central Bank can intervene in such cases, but we cannot intervene in the insurance market. We are working on a boom-and-bust model. We have lost Setanta and Quinn Direct in the past number of years, and God knows what will happen in the future. Solvency II needs to be transposed into Irish law and will put pressure on insurance companies. We cannot have consumers experiencing increases of 200% and 300%, not just 30%, in insurance premiums, which are forcing them off the road and putting small businesses under serious pressure.

Acting Chairman (Deputy Bernard J. Durkan): Deputies Bríd Smith and Mick Barry are sharing time, five minutes each. Is that agreed? Agreed.

Deputy Bríd Smith: I ask the Acting Chairman to ask the two Deputies to my left to stop muttering. I was distracted by them when Deputy Doherty was speaking. If I am going to speak, I do not want to be distracted.

Acting Chairman (Deputy Bernard J. Durkan): Is that agreed? Agreed.

Deputy Bríd Smith: To add to what has been said, everybody is pretty concerned about this. The Beatles sang a song about the taxman, whose lyrics stated: "If you drive a car, I'll tax the street ... If you take a walk, I'll tax your feet." The same could be said of the insurance industry today. Everything is subject to insurance, from people's homes to their cars, their bikes, their pets, and every part of their health.

Insurance costs have risen dramatically, particularly over the last three or four years. The cost of insuring my van increased by 40% recently. Everybody is suffering as a result of the increase in premiums, but it is particularly punitive for younger people. Some examples have been given, and I would like to refer to a young woman who ran as a candidate for us in Carlow. The cost of insuring her car rose by €2,000.

Insurance costs are punitive and discriminatory towards younger people and those who cannot afford new cars. The system requires an NCT test for cars that are more than ten years old, but at that stage insurance companies impose punitive measures, which increase the cost of insurance. Why this is happening has already been discussed.

We need to examine the issue, but no proper data are available to us. If we in the House are

supposed to be regulators and legislators, the absence of clear data makes that almost impossible. A report by Dorothea Dowling, the chairperson of the Motor Insurance Advisory Board, MIAB, stated:

We are being told premiums are going up because awards are going up but the argument is not supported by published records of compensation awards. In fact there is a €1 billion difference between premium income and published awards.

We know from the Central Bank that the income of the ten companies that underwrite motor liability insurance is €1.4 billion a year. Records show that, collectively, awards in the courts totalled €1.69 billion and awards by the PIAB totalled €166 million. As Ms Dowling said, there is a difference of €1 billion. There are inconsistencies in the claims of the insurance industry. The industry also tells us that we are paying for the losses of Setanta Insurance, which is true. Its €90 million losses are being loaded onto the public.

I want to make a more general point about the absence of regulation in the insurance sector. What has happened has been referred to as a boom-and-bust scenario, but it is actually an aspect of finance. That is how it is dealt with by the markets. Therefore, it is subject to all the nuances and ups and downs of the capitalist market. That goes to the nub of the problem. Insurance which is required on a person's home, car and life - on the crucial aspects of living - is subject to the good and bad of the financial market and how it performs internationally. Vulture capitalists who run these companies will sometimes invest money in dodgy and precarious deals. They will invest money and lose money, and they will try to make returns on their investment with the money we pay in our insurance. Therefore, the public is bailing out what is effectively gambling on the stock market.

There is another aspect of regulation which seems to have been a concern of the Department of Finance to a degree. The Central Bank deputy governor, Cyril Roux, wrote to Aidan Carrigan, assistant secretary of the Department of Finance, in a letter that was released under freedom of information. When Mr. Carrigan expressed concern that competition in the sector was not viable and prices were going up, and requested a report setting out issues of concern in the insurance industry, Mr. Roux replied by pointing to the disjointed nature of insurance regulation and he said the 40% vacancy rate in the Central Bank's insurance enforcement section meant it lacked the powers and staff necessary to do its job properly.

Therefore, we do not have regulation over this industry. In fact, the Minister, Deputy Noonan, said it is impossible to regulate this industry due to the EU framework directive on insurance, which prevents a government from regulating it. This points to a problem. What are we doing believing this great institution called the European Union is somehow best for this country when, even on a simple thing like this, it is holding us back from being able to regulate an industry which is crucifying people earning less and less money? The examples have been given of the extraordinary insurance increases in all areas, whether it is for a farmer, a fisherman, a worker, somebody cycling a bike or somebody driving a car, or in regard to the increased level of flooding or the cost of insuring a home. It is a big issue. It needs to be regulated and it is about time this House got hold of it.

Deputy Mick Barry: Suppose we wanted to strike a blow against the interests of young people, old people and people on low incomes simultaneously, how would we go about doing it? The insurance industry gives us a case study of how it can be done. Last summer, Allianz and Aviva announced they were no longer taking new business for cars of 15 years or older.

There was an outcry and the usual mantra was trotted out - shop around. What happened when people went to the other insurance companies which kept their doors open for this business? I will give the example of a constituent of mine. He was driving for 50 years, without one penalty point, with a full no claims bonus and his car had a full NCT. What happened with his premium last summer? It had been €329 for third party, fire and theft and it nearly doubled to €610.

There are 250,000 cars in the Republic of Ireland which are 15 years or older, which is 13% of all cars. When we multiply 250,000 cars by that type of markup, or even a third of that markup, it makes a very tidy profit indeed. That is just one small example of the way this industry operates. The example I gave is about profiteering, not road safety. The Road Safety Authority stated in 2012 that vehicle condition was a serious contributory factor in what percentage of fatal car accidents or serious injury collisions? The answer is 0.2%, or seven cases out of 3,200. That is just one small example of the kind of profiteering that goes on. It strikes a blow against the young, who cannot afford cars that are, say, six or seven years old as opposed to 15 years old, against the old, who might have an older car because they only use it on a limited basis, and against all people on lower incomes. Welcome to the world of car insurance in Ireland in 2016.

Deputy Bríd Smith correctly made the point that this bears down particularly on younger drivers. No one disputes that younger drivers should pay a higher premium because, if there is a greater risk, there should be a higher premium. However, the increased price should be in line with the increased risk, not way above it. What are the sections of drivers the industry is making the most profit on? I will give an example based not on a one-year model but on a five-year model to allow for the processing of claims and to give the full picture. For provisional drivers, the average premium for a young man aged 21 to 24 is €1,422, on which the insurance company makes an average profit of €560. For people on full licences, the biggest profits are made on young men aged between 17 and 20, with an average premium of €1,701 and average profit per premium of €287. Deputy Bríd Smith has given the example of the €1 billion gap between claims awards and the income of the insurance industry as a whole, not just motor insurance. While there is the mystery of how far out-of-court settlements bridge that gap, what we do know is that, between 1994 and 2014, motor insurance profits in this State were €2.866 billion, with an annual average return on investment of 12.2%.

To conclude, we have seen the role of the State propping up big insurance companies in the Quinn bailout, with a possible bill of €1.6 billion and with the tab paid by the taxpayer and the policy holders. We need a different role for the State in terms of intervening on behalf of policy holders. In Canada and Australia there are states where the state provides not-for-profit insurance, so why can this not be done here? We look at the figure of €2.866 billion profit over 20 years. With State-run, not-for-profit insurance, we can imagine the type of cuts in premiums that could be provided for policy holders. We are talking big money. However, that would require a Government prepared to challenge the interests of the big insurance corporations. Fianna Fáil and Fine Gael have certainly not been prepared to do that. It is a powerful case for a radical left Government in this country.

Acting Chairman (Deputy Bernard J. Durkan): As the Deputies of Independents 4 Change are not present, I call Deputy Stephen Donnelly of the Social Democrats.

Deputy Stephen S. Donnelly: I welcome the opportunity to address the rising costs of insurance and, more generally, the ongoing increases in the cost of living in Ireland. The Social Democrats campaigned on reducing the cost of living and we will pursue this goal in this Dáil term.

During the campaign, it is fair to say there was broad political agreement across all parties and the Independents on the need to put money back in people's pockets after eight years of austerity, and it is something we can probably all agree on in this House. Where we differ is as follows. Fianna Fáil, Fine Gael and Labour propose to do this by cutting taxes to make work pay, even though the OECD has just shown we have one of the lowest tax wedges on labour in the 34 OECD countries. The Social Democrats do not believe the way to put money back in people's pockets is to cut taxes, which we believe is irresponsible. We need a stable and an ongoing tax base to invest in infrastructure, supporting small businesses, sorting out the housing and homelessness crisis, policing, tackling child poverty and so forth. We must find ways to put money back in people's pockets. We believe the way to put money back into people's pockets is to systematically and ruthlessly address the costs of living in this country. They were too high to begin with. We now know from the Central Statistics Office that these costs are increasing across the board.

We are debating insurance costs today and they are a good example of this. They were too high to begin with and are on the rise. The CSO data show that insurance costs are rising across all measures except one, that is, travel insurance. Last year insurance costs increased on average by more than 11%, an extraordinary increase. Most people pay a plethora of insurance premiums. Most households are already at the pin of their collars in trying to make ends meet and pay the bills at the end of the month. An average increase of 11% on insurance bills will push many people over the edge. It will force people to cancel insurance, for example, health insurance. I wish we did not need health insurance in this country but many people believe they have no choice but to pay for it.

Car insurance deserves a special mention because it increased by one third in the past 12 months. There has not been a one third increase in the number of crashes, whiplash cases or fatalities, thank God. However, car insurance has gone up by one third. That is an extraordinary additional bill for many people. Some drivers have been asked to pay up to 50% more. The Freight Transport Association has reported receiving premium rate increases of between 50% and 70% over 2014 and 2015. Home insurance costs have gone up by 10% in the past year. An additional 100,000 people took out health insurance in the past year because of lifetime community rating. However, although the base has increased by 100,000 people, health insurance costs are up 3.5% this year. Premiums for hundreds of thousands of VHI customers are to increase by a further 3% in May. This will be the second increase for them in the past six months. Businesses are suffering. We know that hauliers have seen significant increases in their insurance costs. The Small Firms Association has estimated that insurance costs have increased by 30% for small and medium enterprises since 2011. Let us think about that. Since 2011 there has been significantly less economic activity and yet small businesses in Ireland are paying nearly one third more in insurance bills than they were paying in 2011. That suggests a serious lack of focus on this issue by the last Administration.

Why are costs going up? We know that the book of quantum is past its sell-by date. Whiplash injuries account for 80% of motor insurance claims in Ireland. In some other jurisdictions, the corresponding figure is 3%. Perhaps Irish people have extraordinarily delicate necks or maybe we rear-end our fellow motorists 20 or 30 times more than in other jurisdictions but it is highly unlikely. More likely, we have a litigious culture where people claim to have whiplash and the costs associated with firms defending or trying to disprove those claims are such that the firms simply pay out. What happens in this scenario? Everyone else suffers.

The book of quantum currently gives guidelines for remuneration of €14,400 for a neck

injury lasting up to one year and €16,300 for back injuries. As someone with a long-suffering back injury myself, I believe that in many cases there is a need to pay. However, given that 80% of claims are for whiplash versus a corresponding figure of 3% in other jurisdictions, clearly something is not right. The book of quantum was introduced in 2004, some 12 years ago. To the best of my knowledge, it has not been updated. It needs to be updated quickly.

The price for legal services continues to rise. I recall a meeting we had with members of the troika when they were here. They were very exercised about legal costs. They showed us a graph with many lines starting in 2008 and going downwards over time. The presenter pointed to a particular line and explained that it referred to the accountants. He pointed to another line and said it referred to the consultants. He pointed to yet another line and said it referred to someone else. All the lines were trending down very quickly. However, there was one line that was going up and up. The presenter explained that this line referred to the lawyers. Somehow, even though we have solicitors and barristers who are unemployed and are screaming for work, legal fees have bucked the trend of those in all other professional services and have managed to increase significantly. Obviously, this needs to be dealt with very quickly.

What do we do? Average claim costs need to come down. We need to reform how awards are set by the Injuries Board and the courts. We must have better non-litigation options in order that legal fees are reduced or, in as many cases as possible, abolished. We must have better information sharing in the industry such that fraud can be more readily tackled. We need to make it easier for drivers to switch premiums for car insurance. We need to make insurance options far more readily accessible and consumer friendly. I heard an analyst explaining health care insurance policies on the radio one day. I imagine many people listening that day had blood coming out of their ears while trying to understand the plethora of different options and non-options available. There needs to be a serious focus on consumer friendly products and simplicity in the market. AA Ireland has suggested that the Government should set up a task force to bring all relevant Government agencies together. That is something the Social Democrats strongly agrees with.

While we are systematically and thoroughly addressing the increasing costs of insurance and ensuring that not only do they stop going up but that the 33% increases we have seen in motor insurance start coming down, we must do the same for the costs of living more generally because Ireland is an expensive country. It is simply too expensive to live here. Rental prices have gone up by 9% in the past year, education costs have risen by 4% and the cost of third level education has gone up by 5%. Child care in Ireland is already the first, second or third highest in the world but it has actually increased by 1% at a time when inflation is essentially 0%. What do we need to do? Here are some of the things we need to do. We must improve State funding for child care and cap fees for parents. We have to introduce paid parental leave for 12 months and legislate for better work flexibility. We have to introduce truly free primary education by covering the cost of school books and transport. We have to cap third level fees. The Social Democrats has proposed a cap of €2,000, which is far closer to the European norm. We have to end water charges.

I am pleased the Dáil is taking this seriously. I hope we see some very focused and targeted reductions in insurance. However, we must broaden the conversation to reducing the costs of living in this country quickly and significantly.

Acting Chairman (Deputy Bernard J. Durkan): The next slot was to go to the Green Party but no Members are present. The next slot is for Deputy Danny Healy-Rae. You have

ten minutes.

Deputy Danny Healy-Rae: I do not think I will need ten minutes because much of what I have to say has already been covered. However, the increase in the cost of insurance is considerable. A figure of 30% has been mentioned for young drivers. These are young people trying to go to work. They include apprentices starting out or people starting new jobs on small incomes or wages. They have been getting quotes anywhere as high as €5,000. That is not on. It is enticing these youngsters to stay at home rather than attempt to go out to work.

If they have to pay €3,000, €4,000 or €5,000, it is too much for these young fellows and girls who are starting out. This category is hit more and hit harder than all the other categories of drivers.

It is unfair that older cars can go through the rigours of passing the national car test, NCT, and be in a legal road state but insurers will not insure them. This means another category of people will not be on the road because they cannot afford a newer or dearer car. There is nothing wrong with the cars they have as they would have an NCT. They are not even being given a quote. Families may have a second car, with a wife or partner at home having a car to bring children to and from school. These people have to drop one car and it is making it very difficult for them to survive in rural areas. I was disappointed with the economist Mr. Dan O'Brien, who wrote an article a few weeks ago for the *Sunday Independent* arguing that the upturn in the economy had reached all Twenty-six Counties in Ireland. I resent that and say to him that when people like those we are highlighting now are faced with increased costs, it is unfair to say that equal improvement has been felt in all Twenty-six Counties. The county I represent is very rural and expansive, and one cannot manage in any part of the county without a car. In Dublin and the cities there is the Luas and all the other types of public transport, but it is not available to people in rural Ireland. I was very disappointed to read Mr. O'Brien's assertion in the paper two weeks ago last Sunday.

People with commercial vehicles, including hauliers, are also seeing effects on their businesses in a big way. There was a reduction in the tax rate last year, which I appreciate, but these people are back at square one because of the increased cost of insurance. From personal knowledge I know that when somebody makes a claim against a person and the insurance companies should fight it, the companies often do not want to do it. We will not name the companies but they seem to pay the person making the claim. They do not fight the claim, even when the insured person feels he or she is right. They just pay out the claim and charge the insured party more. The practice must be regulated and something must be done, as it is very unfair. An insured party may feel that the blame should at least be assigned 50-50, or even that he or she was more in the right. The insurance companies do not fight such issues and prefer just to pay out, meaning it is left to the people paying their insurance costs. It is one of the reasons costs are increasing. There are also bogus claims, which should be tackled in a more efficient way. Many claims are being made and every Member has heard about them. Something must be done, as it is one of the reasons insurance costs are rising.

Insurance awards seem to be excessive. As Deputy Donnelly mentioned, it just does not seem right that all these claims are going through. People have whiplash and there is no real vetting of what is happening at all. People seem to be claiming and getting away with it but they could be back playing football or hurling, swimming or whatever again, with nothing wrong with their necks, a few days after getting the award.

There is also the issue of flooding and what this entails for people in their homes. If they make a claim because of flooding, their insurance costs go up, and if there is a second claim, they will not get insurance again. It is a very serious issue. It is happening and one of the reasons we have so much flooding is because our rivers are not being cleaned. There has been no attempt in the world to clear rivers in Kerry. I do not know what is happening in the rest of the country and every other fellow will have to speak for himself and represent his people. The rivers I know in Kerry are totally clogged, which is a reason places like Clonkeen, Foiladown, Glenflesk and Curreal are flooded continuously. Houses are ruined and people finish up with no insurance.

There is a new phenomenon with a crowd called the catchment flood risk assessment and management, CFRAM, doing a study around the south of Ireland. I know a number of people in one area, Glenflesk, who have been told their houses and property may be flooded some time in the next 50 years. The insurance companies know that now and they have the maps. Accordingly, these people are being charged excessively for insurance on their homes. That is not fair as the properties have never been flooded. Some genius has come up with the divine knowledge that the houses will be flooded some time in the next 50 years, but in the meantime people will have to pay an exorbitant cost for insurance. The houses may never be flooded.

These issues must be addressed as people in homes need insurance. It is not fair for any insurance company not to quote them. The reasons for not providing a quote or insurance are unfair, which is not on. I feel very strongly for these people. If it was said to somebody in a car crash that when the money was paid out, he or she could not get insurance any more, we would not accept it. People's homes are their castles and they are entitled to insurance for their families and properties. The rules of insurance companies must be sorted out. If we do nothing at all in here, we should highlight such matters. People are suffering and it is a big worry. Many of us would be very worried if we went to bed and thought there was no insurance to cover the house.

Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton): I welcome this debate. In many ways this Dáil is unique and will be tested by its ability to take on issues like this and to shape better thinking on how to tackle it. We are, rightly, setting new ambitions for ourselves and planning to work in different ways. It is also important to remember that economics have not gone away, to paraphrase another political phrase. At this stage in our economic rebuilding after the crash, we have restored a little less than half the jobs that were lost. That is 142,000 jobs. It is quite an achievement but not quite half of where we need to be. We have seen a healthy economic recovery, with average growth in the economy in the past two years of 6%. That is significant. People need to bear in mind as we grapple with issues in the House that 75% of that new national income has come from investment. The last ten years have been a lost decade in terms of investment that just did not occur in the economy. It is important, however, to understand the nature of future growth. It is not there for all of us to come up with new claims or demands; it is a process of trying to rebuild investment that was lost. Those of us who work in the public sector know more acutely than most that the lost decade saw a huge impact on our capacity for public investment. Lost investment in that period probably ran at approximately €15 billion, which would have gone into housing, health, education and child care - things that we rightly set as big ambitions.

It is important to recall that Ireland is a small, open trading economy which stands or falls by our ability to create a competitive edge to win in difficult economic markets. The National Competitiveness Council has often talked about the need to create a virtuous circle whereby our ability to provide better living standards, including wages, in the public, private and per-

sonal spheres must be matched by our ability to generate new business. We must also create a competitive edge and do things in a smarter way so that we can grow the economy and fulfil our ambitions.

As we start to see momentum in our economy, this is not a time for wage demands that go way beyond productivity, or seeking to profit-take at a time when many families are under severe cost-of-living pressures. In the context of this debate on insurance, we have to keep a sharp eye on things that make an impact on the country's competitiveness or families' ability to make ends meet, which is what underpins competitiveness. Recent years have seen trends, particularly in motor insurance, that are out of kilter with that. We have seen a 60% growth in motor insurance costs over the last four years, for example. We therefore need to examine what is driving such costs and identify the elements we can manage. Motor insurance is extremely important to ordinary families and represents nearly 2% of family expenditure, according to the consumer price index. For families that have a greater dependence on cars, the cost is much more than that. For the business sector the cost is smaller, at approximately 1%, but insurance can be a significant block to progress in certain elements of the commercial environment.

I was not here for the speech by the Minister for Finance, but I read it subsequently. The study that the Minister is undertaking with the support of the Central Bank is absolutely crucial. A lot of anecdotes are thrown around about drivers and costs, and what causes insurance premiums to grow so rapidly. The truth is that it is a combination of many elements, which we need to disentangle. We must identify which elements on the supply chain we can hope to influence and change. For example, the PIAB is a piece of the jigsaw for which my Department is responsible and there are encouraging trends in that area. We are continuing to deal with the same proportion of cases in this non-legalistic fashion, with awards being broadly accepted across the board. The awards by the PIAB have been remarkably stable, with virtually no change since 2007, so it has managed that really well. The PIAB handles around 12,000 claims annually from a total of 34,000. Many of those claims are settled outside the PIAB or the courts. We need more knowledge about what sort of settlements are occurring outside the PIAB, because they are certainly not as stable as what is happening within the PIAB. Rather than relying on anecdotal evidence, let us assemble hard data from the companies. That is an important piece of work that should take place.

There is no doubt that the frequency of claims has grown; they have increased by 21% in the last four years, which is a lot faster than the growth in insurance policies. Therefore, something is driving claims frequency, which we need to understand so that we can manage it more effectively.

The cost of awards has arisen repeatedly in this debate. While the PIAB system is stable, people are clearly looking at court awards. There is some evidence of what is happening there. The number of cases that get to court is relatively stable, but more of them now appear to go to the High Court than the Circuit Court, and that is where awards are high. The value of awards, while fairly stable in the Circuit Court, appears to be growing substantially in the High Court, by 40%. Of course, very different cases are involved, including medical negligence cases. We do not have them sufficiently disentangled. That will be an important piece of work to get a better handle on what is happening in the courts.

My Department is currently updating the book of quantum. While the courts remain independent, they have an obligation to take account of the quantum of damages. We hope to have a new quantum of damages in place in the first half of this year, which will bring greater

consistency to court awards. In turn, that will reduce the likelihood that people will either have recourse to the courts or, in making out-of-court settlements, be influenced by a sense that court awards can be very high and almost a lottery if one goes into it. It is important therefore for us to develop that quantum, and work on it is well advanced.

We are also looking at changes to the PIAB legislation which could make the system smoother and provide fewer opportunities for cases to be brought elsewhere. The report by the National Competitiveness Council on insurance stated that legislative changes were needed and new provisions required to tackle non-attendance at medical tests. It also recommended prohibiting claimants from introducing new information or details into court proceedings that were available but not submitted to the PIAB prior to the assessment. While respecting the independence of courts, we need to ensure that the PIAB can keep the maximum possible number of cases out of the court system, where, inevitably, legal costs as well as awards are added in.

I welcome this debate. As the National Competitiveness Council report on insurance states, it is important to obtain data forensically because so many elements contribute to insurance costs. Many of them have been listed here. Insurance companies have been making losses on their underwriting business in recent times, so on the face of it there is not a bonanza from their returns. Management fees represent a significant proportion of premiums and deserve to be assessed. Their reliance on investment returns, which are volatile, is an issue of impact. New capital requirements resulting from greater prudential sensitivity represent another factor. The key thing is to distinguish the matters that we can rightly expect policy to influence from the ones that will not be easily changed. That is the area the new Parliament can hope to influence, both through legislative work and through greater scrutiny of what is happening in this important sector. Insurance influences the costs facing ordinary families as well as the cost of doing business.

One of the key challenges for this Dáil is to drive forward economic recovery, which is really important. This depends on a series of decisions we must make concerning skills, investment and innovation, as well as making companies leaner and sharper with a better start-up environment. At the same time, we must also focus on serious challenges in public service areas, where we rightly need to frame ambitions and match those two key elements. Success in meeting our ambitions in public services will be very much driven by our capacity to create an economy and an economic environment that creates the jobs and drives the enterprise sector and the tax revenues that come with it.

Deputy James Browne: As this is my maiden speech, I ask for a little indulgence for the first 60 seconds. I thank the people of Wexford for the honour of electing me to represent them in this Chamber. It is humbling to have such faith shown in me. I hope that I can meet their expectations; I will give them my best.

Today, throughout our society, there is a timbre of fear. People cannot anticipate their future or that of their children and the fear from this uncertainty is governing their lives on a day-to-day basis. For many, it is a disconcerting fear because it is abstract in nature and its causes often feel unclear. The enemy is unknown and the solutions are difficult to see, but the fear is real and it permeates our entire society. It is felt not just by those who protest, but also by the many who show their emotions lightly but feel them intensely, some to the extent that they feel they cannot go on. It is manifest in many aspects of our day-to-day lives from the locked doors and high fencing in rural Ireland to the sense of isolation often felt by those living in the middle of busy populated cities. It manifests itself in a country where young people are often afraid to go

out and old people are often afraid to stay in. Our society is dangerously off balance. A nation or individual cannot prosper in any valuable sense if such a large portion of the people living around them are drowning.

However, the solutions are not found in further division promoted by those with the faith that the breadcrumbs will tumble from the over-filled table at the banquet to nurture those below. Neither are they to be found in the creative inertia of the first responders in the Cabinet or the promises of utopias by pseudo-religious ideologies. Solutions can only be found if we put our community first and create an Ireland for all. While that means developing a successful economy, any economy must serve as a means to an end and not an end in itself. That end is our community - a compassionate community that guarantees security, opportunity, fairness and social justice for all.

I welcome this debate on insurance and will focus on motor insurance. Motor insurance is now the fastest rising item in the Central Statistics Office basket of goods, having risen by almost 40% since last year with insurance companies warning of further increases of up to 25% in 2016. Motorists are being fleeced by motor insurance companies. These increases in insurance mean that by the end of 2016, the cost of insuring an average-size family car is likely to have increased by almost €300. This is resulting in a huge squeeze on family finances and is a serious hit to families' disposable income. Hackney and taxi drivers are being hit with even higher premium increases and are being driven out of business. This does not just affect the employees of these businesses. When a hackney or taxi service is withdrawn, particularly in rural Ireland, it affects the most vulnerable and marginalised the most as it is these vulnerable groups who rely on the availability and safety of known local services. It is the disabled, the elderly and the isolated who rely on safe local hackney and taxi services the most.

I will also address increases in the cost of insurance for people with disabilities. Some of my constituents have seen dramatic increases in the cost of their insurance to the point where it would appear that most insurance companies have little or no interest in insuring anybody with a disability who needs to drive. Subventing people with disabilities so they have an equal chance at life and at exercising their rights in civic society by being able to get insurance for their cars should be looked at by any future committee.

Deputy Donnelly from the Social Democrats said whiplash injuries account for 80% of motor insurance claims in Ireland. I have been involved in personal injury cases for ten years and I can only recall one case solely involving soft tissue injuries to the neck. We in this Chamber need to be very careful about relying on insurance industry statistics. I welcome the Minister's comments about the courts. We need greater transparency in the type of cases going through our courts system. In particular, pleadings should be available to people because this would also help drive down costs.

As rural Ireland has been systematically undermined by the cuts to our schools, Garda stations and post offices and the threats to the viability of rural GPs, people have to travel ever further to avail of critical services. Therefore, access to transport has become necessary to be able to participate in civil society. It is this participation that is further undermined by the unaffordability of motor insurance. The rapid, unjustifiable and profiteering increase in insurance costs is also having an impact on people trying to return to work. People who have found themselves unemployed during the recession and who are now being offered work often find that they must travel for this work. They are willing to do so but find that motor insurance can be as expensive, if not more so, than the cost of a car or van. Motor insurance costs are becoming a

significant barrier to people re-entering the work force.

Motor insurance is mandatory but it acts as a flat charge taking no account of ability to pay. I am calling for the establishment of a task force to bring together consumer advocates, the insurance industry, the Garda transport division and the regulator to bring forward practical proposals to reverse this trend. A task force known as the Motor Insurance Advisory Board was set up in 1998. Its recommendations successfully achieved a decrease in insurance costs of 40% in real terms between 2002 and 2013. A similar task force should now be set up to end unfair practices in insurance companies. It would appear that the real underlying purpose of what they are attempting to do is to simply back up capital in their funds in light of the case of Setanta Insurance.

Deputy Anne Rabbitte: As it is my first time speaking in the Chamber, I thank the people of east Galway who elected me and gave me the opportunity to represent them. For those who do not know east Galway, it takes in people from Portumna to Bearna to the sea at Kinvara down to Gort and Athenry and all the way down to Tuam and Headford. I humbly thank them for giving me this opportunity.

My comments will focus on flooding, which has affected south and north Galway for the past number of months. Newly elected colleagues eagerly await the commencement of work on real issues of concern to our constituents and the people of Ireland in general. My mission statement when entering public life remains the same today. It involves representing the young and the old and people in rural and urban areas on local, regional and national levels by giving voice to their concerns, needs and aspirations for local provisions, services and living standards across key areas of agriculture, education, health, employment, finance, safety, security and other emerging issues so that, in the near future, communities can enjoy the true values of security and prosperity and the fruits of their own hard work, time, talents and skills in a fair and honest society that is rooted in our Irish tradition.

In speaking for the flood-weary people of east Galway, I speak for people right across our country who have endured indescribable hardship because of flooding this past winter. I speak about the winter of 2014 but it also happened in the winter of 2009 and if one goes back to 1995, that was when people in Peterswell were worst affected. While the stench of damp carpets, rotting furniture and cracked floorboards has greeted families returning to their homes in some areas, others' homes such as those in east Galway remain uninhabitable and farms are submerged for the foreseeable future. I spoke to a farmer the other day who is selling off his stock. He reckons that he will not have grass until after the Galway Races. With no solution in sight, must these families now accept flooding as a recurring annual event in their lives simply by virtue of where they happen to live and the planning deficiencies of recent years? The hardship and grief of losing one's home and treasured memories compounded by loss of a livelihood in farming defies description. How will these people fare with their insurance companies now and in the future? That is the question. Householders who have erected barriers since flooding in 2009 succeeded in keeping waters out this past winter yet are rewarded by denial of cover by insurance companies. I congratulate Mr. Joe Healy, a fellow county man, on his election as the new president of the IFA. Mr. Healy and I face huge problems as we see farmers going out of business due to flooding. When will the OPW enact its relief plans, which have been drawn up for a period of considerable time? This is something which must be addressed as a matter of urgency. It is not something that can be shelved and lip service paid to whenever flooding occurs. Tell that to the people of Crannagh, Peterswell, Tarmon, Cahermore and Skehanagh.

Rising insurance premiums reflect a combination of Government imposed costs, poor regulation, mismanagement by the insurance sector and legislative failure. All of us have spoken today about rising costs in insurance but the people from east Galway that I represent cannot get insurance at any price. In January 2016, Fianna Fáil published legislation to ensure flood insurance cover is provided where OPW flood relief schemes have been completed or where the risk of flooding is at an acceptably low standard. The Bill provides that where the OPW has completed a flood relief scheme to European standards, resulting in the flood risk being reduced to a one in a 100-year possibility or where the OPW deems the flooding risk to be extremely low, an insurance company must offer flood insurance at a price that a person can afford. This Bill is also relevant for areas where the scheme is to be carried out into the future. Furthermore, the Bill outlines the respective roles of the Financial Services Ombudsman and the Central Bank in ensuring its full implementation.

Deputy Danny Healy-Rae spoke earlier about the Catchment Flood Risk Assessment and Management, CFRAM, report. This also affects me in respect of the Shannon catchment area. It is a desktop exercise in certain areas where it says there is a one in ten, one in 100 or one in 1,000 year risk that the flood could happen. That draft plan has not been implemented. We are talking hypothetically. Levies are being raised from people in those areas and we have not adopted maps. It also affects how county councils make decisions on planning. Where flood issues have been addressed in Ballinasloe, Clonmel, Fermoy, Mallow and Kilkenny these people still have to pay a full premium on their insurance which has increased. We can praise the Office of Public Works, OPW, where it has put in proper flood defence mechanisms because it has saved these towns the guts of €900 million yet we penalise businesses and householders. Is that correct? Is that right?

Fianna Fáil acknowledges the need to address the lack of insurance in areas which remain prone to flooding. Models such as the flood relief scheme in the United Kingdom are being examined and proposals for adaptation to the Irish situation will be published.

Deputy Martin Ferris: During the course of the election campaign one of the big issues on the doorstep particularly in rural communities was the enormous cost of car insurance for young people. I met a young man who was quoted €8,000 for insurance. Another was quoted €8,500 and €9,000. Neither of these lads has any road traffic convictions. They have full licences and three years' experience of driving. They work approximately 12 to 18 miles from their homes and need a car. They live in rural Ireland where there is no public transport. The only way they can get to work is by car. At €8,500 or €9,000, that is between €170 and €180 per week for insurance. They bring home approximately €380 per week. Effectively they are working for nothing. That does not take into account the wear and tear on their cars, tyres, petrol, tax, all of which has to be taken into account. These young men and women want to work and are lucky to have work but they are being discriminated against because of their age and the fact that they come from rural Ireland. If they lived in a city or large town where there would be public transport it would be very easy for them to live and work in their areas.

I participated in a debate on Monday morning with a spokesperson from the insurance industry. Part of the excuse that person gave for premiums going up was the cost of going to court. The spokesperson said that 60% of the insurance industry costs were legal costs. This is a gravy train for solicitors and insurance companies, and young drivers in particular are their victims. I cannot understand why an insurance company will settle outside the court and pay compensation on the assumption that it will not win the case.

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I have had that experience following an accident. The person who ran into me took responsibility and I accepted that but four hours later the person had a change of mind. I then instructed my insurance company which settled outside the court, each of us paying our own costs, against my wishes. That was a decision taken by the insurance company. How many people find themselves in similar situations where an insurance company, rather than go into court and fight to defend what is right, is prepared to compromise and settle, using the excuse that legal costs are 60% of what they pay out?

Rural Ireland is not in a good place because of neglect by successive Governments down through the decades. The abdication of their responsibility for rural Ireland is clear for everybody to see in the social consequence of mass emigration. Where there are jobs for young people who want to work they are crippled and penalised by insurance companies. We need to start thinking outside the box and see if there is a way to make those costs affordable, fair and equitable. In the so-called UK there is a smart box installed in the car which is used to monitor young drivers. There is technology which can restrict the speed of the car and restrict the cc of the car for younger drivers which would go some way to help ensure that people could get to and from work.

Insurance for local employment schemes has increased 300% in the past two years. That means that a service primarily for rural Ireland is being crippled by insurance companies. They use the excuse of false claims. Are they going to penalise the innocent because people are making false claims? That is what they are doing. They are penalising genuine, decent, young people, with the excuse that some people are making false claims and they have to pay them. Why pay them? If they are false, fight them and stand up to the people making false claims and do the right thing.

Deputy Carol Nolan: Insurance is a huge issue. In my constituency of Offaly and North Tipperary not alone does it affect young drivers in rural areas but also elderly people who for some strange reason receive huge quotes. This needs to be urgently addressed. In rural areas such as my constituency there is no adequate or proper transport system.

Over the past year we have witnessed insurance companies holding the people of this country to ransom through the costs associated with insuring road vehicles. It is evident that these insurance companies have profiteered on the back of staggering increases in motor insurance, as they know it is a necessity for most working people around the country. The insurance industry and others have been quick out of the traps to try to explain this huge increase. They blame claims, payouts, fraud, regulatory costs and so on. They seem to blame everyone but take no responsibility themselves. I am not convinced by their arguments and frankly neither are the Irish people.

As Deputy Martin Ferris said, this needs to be addressed. Deputy Pearse Doherty also raised concern over this issue. It is time that serious and fundamental questions were asked about the business model used by insurance companies in this State. Therefore, it is time we took a critical analysis of the operating model underpinning the insurance industry in Ireland to see if a long-term unsustainable way of doing business is the real reason behind the increases in premiums.

I believe an investigation will reveal as much. Correspondence received by Deputy Doherty from the Central Bank states:

Recent reversals in investment markets have generated investment losses that are a drag on profitability. In the view of the Central Bank, the recent premium increases will serve to restore core underwriting profitability and to secure the financial position of the firms concerned for the longer term.

This points to insurance companies punishing customers because profitability has dried up from their other sources of income. It is completely unacceptable for insurance companies to apply punitive levies to drivers because they were operating in an unsustainable manner and are now feeling the repercussions of their actions.

The insurance increases these companies are imposing on people are pushing the owning and running of motor vehicles out of the reach of many ordinary people. This, in turn, affects people's ability to travel to and from work and it is a particular issue for people in rural areas, and for young people and older people who are also being quoted extortionate rates.

It is our duty, as elected representatives of the people, to address all of these concerns. Without doubt this is one of the biggest concerns of the people of my constituency in Offaly and north Tipperary. The ordinary people of Ireland do not have the money to cover these costs which are having a severe negative impact on their lives professionally and personally. I call on the Minister to meet the main actors in the insurance industry as soon as possible to address this because the current situation is totally unacceptable.

Deputy Tom Neville: As with some of the previous speakers today, this is my first speech to the House. I thank the people of County Limerick for electing me and for giving me the privilege of representing them here, which I will try to do to the best of my ability.

I welcome today's debate. I will talk in particular about motor insurance as, like the previous speaker, I come from a rural constituency. I welcome that the Department of Finance has embarked on a review of the insurance sector. Currently people are affected by huge increases in motor insurance. As these effects are serious and ongoing the review must be conducted as quickly as possible with clearly defined deadlines in order to advise on strong solutions.

The average cost of motor insurance premiums rose sharply by approximately 42% in 2012. It is now mentioned that in 2016 motor insurance costs have increased by 40%. I understand that from 2010 to 2013 the average cost per claim increased by 32% for comprehensive insurance and 56% for third party fire and theft insurance. However, the level of vehicle sales has also increased dramatically since 2012. That year there were 145,033 vehicle sales rising to 216,523 sales in 2015, an increase of 71,490 vehicles or 33% owing to the economic recovery. In three years vehicle sales rose by a third. The first quarter of 2016 had vehicle sales at 99,328 which in just three months are already 68% of the total sales of 2012. Given the extra buoyancy in vehicle sales and the knock-on effects in the number of insurance policies sold, why is there such a major increase in motor insurance? This is having a serious impact on people and was raised on a number of occasions during the general election campaign by voters in my constituency of Limerick County.

Limerick County is a rural constituency and a car is a necessity not a luxury. There is no DART or Luas in County Limerick so there is a major dependence on the motor car. Its primary function is to get to work or college and it is required for people to go about their daily lives. The rising cost of insurance will drive more young people from rural areas into the cities and towns where there is more frequent and elaborate public transport.

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Last week one constituent mentioned to me that the best quote she could get on a 2005 1.9 l diesel car with a full licence and one year as a named driver on her parents' policy was more than €6,000. That was for a lady driver. This constituent wants to pursue farming and settle in a rural location, but is being priced away from the area. I am not quoting figures for souped-up Lamborghinis or Ferraris here. This was for a car to facilitate this person's life and chosen work. Such pricing of motor insurance is just not affordable.

We need to keep people in and attract more people to rural areas to keep our schools open, our sports clubs going and to further enhance and develop our communities. We must also extend this to returning emigrants who wish to return to rural areas of Ireland. I was one of those when I returned in 2013. I learned it at first hand, as without a policy in Ireland for more than three and a half years the no-claims bonus was not taken into account as it had expired beyond the two-year threshold. I believe this is still the case today.

The rationale was presented of three and a half years' extra driving experience in a more challenging driving environment than County Limerick, given the city I resided in had more than 5 million people, but that was not accepted. The provision of proof of no claims was then presented but that was not accepted either. The bottom line was that as it was more than two years since there was a no-claims bonus in Ireland, as a returning emigrant any driving experience acquired before leaving was scrapped. This was against the backdrop of having more driving experience in a large city with a more challenging traffic environment. The result was an insurance cost of three times what was paid before leaving.

This policy is sending the wrong message in attracting and welcoming our emigrants home and it needs to change. A change like this would crystallise a proactive effort in bringing our sons and daughters, brothers and sisters back to rural areas of Ireland where we want and need them. They bring enhanced experience, extra economic wealth and greater international networks. This can help to bring new ideas, innovative ways, job creation and investment to rural areas. What I have said puts it in very cold economic terms; in real terms these people are missed by their loved ones.

The plight of drivers of older vehicles must be also highlighted. These vehicles, which have passed the NCT at a cost to the owner and are deemed roadworthy, are more often than not in the possession of the less well off or younger people. I would not like to see a culture develop in the insurance industry of penalising due to age of vehicle. The less well-off and younger people will feel the burden the most.

During the election campaign I met some rural mechanics running small businesses in County Limerick who said that insurance costs were hurting their businesses. These mechanics depend on general servicing of older cars, as newer cars are serviced under warranty by the large outlets. Motor services in rural areas are a major source of economic activity. These people have taken the risk to open small businesses which attract more people to the area.

It is imperative that these issues are highlighted as they represent a snapshot of life on the ground for people in County Limerick. I call on the industry to take note of the effects. Responsibility must be taken, as there is no room for bogus or fraudulent claims. I again ask the Department to prioritise the review of the insurance sector and to carry it out as soon as possible as this is a real issue for people on the ground.

Acting Chairman (Deputy Robert Troy): I thank the Deputy and wish him the best of

luck.

Deputy Pat Casey: This is my first opportunity to address the Dáil. I would appreciate if the Acting Chairman could give me a bit of leniency.

Acting Chairman (Deputy Robert Troy): No problem.

Deputy Pat Casey: As this is my first time to address the House I want to express my thanks to the people of Wicklow and east Carlow for the opportunity and honour to represent a new type of politics which hopefully can be introduced in this Dáil. I appreciate and share the frustration of people over the length of time the Government formation process is taking but I want to thank all those Deputies who are trying to resolve this so that I can get down to the job that I was elected to do, which is to find realistic solutions to the many problems facing this country.

I come from a long business and community background, and I want to use the experience I have in these areas to provide solutions to the problems that my fellow citizens face. I want to work with every Deputy in the House, regardless of party affiliation to enable the Dáil to be a Parliament that provides an inclusive and comprehensive analysis of our problems and, vitally, to put in place measures that will address these issues in a manner that is accountable.

It is acknowledged that increasing insurance premiums are an unacceptable pressure that individuals, families, farmers, businesses and communities are facing year-in year-out, without any adequate explanation to Government or to the Dáil. The true profits being made in this industry are not nearly transparent enough to justify the rising costs to Irish citizens. In fairness to the insurance industry, Ireland risks creating a claims culture unless we have a realistic view of personal responsibility and unless fraudulent claims are prosecuted as a serious crime.

Insurance costs have been rising relentlessly for families and businesses. The CPI indicates that in the 12 months to March 2016 motor insurance premiums have gone up by 32%. Since December 2011 motor insurance premiums have risen by a massive 50.6%. This is way ahead of the general rate of inflation over the same period.

One of the ways to help resolve rising motor premiums which in the past year have risen by 30% is to re-establish the Motor Insurance Advisory Board whose recommendations reduced insurance costs by 40% between 2002 and 2013. As I said, there should be full transparency surrounding insurance costs. The income of ten companies which underwrite motor and liability insurance is worth €1.4 billion a year. Total compensation awarded in 2014 was €335 million. There is a gap of €1 billion between premium income and awards made.

The term “public liability” sends shivers down the spine of every small business and community group which owns a facility or runs an event. This week, the Small Firms Association warned of a crisis for businesses due to a compo culture which is leading to increases in public liability insurance premiums. The Freight Transport Association of Ireland has warned that a recent award of €40,000 in damages to an injured hillwalker in Wicklow will have a negative impact on insurance premiums and should be reviewed by the Court of Appeal. It said the award against the National Parks and Wildlife Service was “excessive, setting a precedent for future claims, and ultimately forcing insurance premiums to rise”. I was also struck by the response of Mountaineering Ireland when it stated:

The mountaineering community has a long held and proud tradition of personal respon-

sibility. Mountaineering Ireland feels that today's judgment runs contrary to this long-established principle. We cannot continue to live our lives without the acceptance of personal responsibility in the belief that every misfortune is someone else's responsibility.

The last line in particular has significance in this debate. As an hotelier in Glendalough, County Wicklow, I know more than most the value of outdoor recreation as a key economic and tourism pillar of rural Ireland. I have worked all my life both in the tourism sector and with organisations, such as County Wicklow Partnership, Wicklow Uplands Council, Coillte, the National Parks and Wildlife Service, Wicklow County Council and private landowners, to develop and promote an agreed and open walking trails policy which is an essential part of our rural economic infrastructure. It is my consistent and confirmed view that any regeneration of rural Ireland must further develop and promote this industry which provides sustainable employment and income to every county on this island.

The past week has seen outdoor recreation in the countryside being put at unacceptable risk due to the award of damages to an injured hillwalker. On a positive note, the decision has resulted in a remarkable unity of purpose being shown by diverse organisations, such as the IFA and Mountaineering Ireland, which are at one in expressing shock at this decision. It is essential for the protection of our outdoor recreation sector and landowners that the State undertakes to introduce a blanket insurance cover for upland areas. In return, agreed and accessible walking routes can be developed and crucially maintained. I thank the House for its consideration of this issue.

Deputy Mattie McGrath: It is important that we have this debate today while we have a strange vacuum in our Parliament and parliamentary business. Many people outside the House, especially businesspeople and those working trying to make a living, are dumbfounded at the delay in the formation of a Government. They are very disappointed that, after going out to vote, so many weeks on we still do not have a Government. It would not happen in any business. No business could afford to be without leadership, vision or the wheels being kept oiled and turning. We need to ask ourselves some serious questions.

I am glad to be able to speak on insurance costs. As a self-employed person since 1982, I have been grappling with insurance costs and claims. I have also dealt regularly with constituents' problems with insurance costs from community groups to businesspeople, from road hauliers to hoteliers and the restaurant trade. Insurance is vital and we all have to have it. I condemn those, especially car drivers, who do not have insurance cover, as they leave nothing but chaos behind them. As for the recovery the Government talked about, many people, certainly in rural and provincial Ireland, would not know how to spell the word because they are barely holding on, trying to keep the bills paid. I do not know what justification there is for insurance premia to steadily rise every week.

There are many areas which need to be examined, particularly the most recent case of an award to a hillwalker. I am involved with Knockmealdown Active and the Glen of Aherlow Fáilte Society in Tipperary, groups which, with the co-operation of Coillte, county councils and, above all, private landowners, do much work to open up walking trails in the wonderful countryside with its rich heritage. Much valiant effort was made to get where we are, but it is frustrating to think that such a willy-nilly claim like last week's could damage these efforts. In Waterford, we are doing much work on a greenway right from Waterford city to Dungarvan but people have already made several claims for injuries on this trail which is a flat surface, an old railway line track. There is bound to be an element of risk with such activity, so one has to take

care. They are not jumping off trees or off cliffs but walking on flat surfaces. If one falls, surely there is some onus on oneself to take care.

Any small business which wishes to work for a local authority must have public liability cover of €6.9 million, as well as large cover for employer liability. That is an exorbitant amount of money for a business with the cost of it going up drastically. Last week in Tipperary, I met a haulier with a sizeable business whose insurance was €80,000 last year. This year, his premium has increased by €100,000. It is just a case of pushing the boat out as far as one can, unless we get some more players in the market. I had experience one time of trying to get insurance but no one would touch me in Ireland. I was told I had to go to Lloyd's of London for underwriting. I found out afterwards that those not giving me a quote in the first place were already underwriting with Lloyd's. There are many shenanigans going on in the industry but not a lot of openness or transparency. There is absolutely zero regulation, unlike with many areas of our business life and other life in this country.

The legal profession has a lot to answer for, particularly when one sees solicitors advertising now with a free first consultation and on a no foal, no fee basis. That was taboo 30 years ago but now it is commonplace. There need to be refresher courses for most of our eminent judges. Judges are appointed for life and my colleague, Deputy Ross, is trying to change the way they are appointed. They need to be aware of the pressure and hardship some spurious and over-the-top payments and legal costs can put on a small business, community organisation, public hall, walking trail or greenway. More effort must be made to deal with the scams going on. The courts have much to answer for. More cases - I had them myself - are settled on the steps of the High Court. They cannot be settled, with everyone traipsing up to the High Court day in, day out, for two years, but eventually, they are settled on the steps.

The costs to business and ordinary people are enormous.

The legal eagles and the legal system seem to be disconnected from the reality of the damage that is being done to the fabric of society, to the enthusiastic people in the community and voluntary bodies and to the entrepreneurs, small business people and hard-pressed ordinary families trying to make ends meet. The scale of legal costs and fees are in the category of telephone numbers. There have been some alarming pay-outs. For too long it has been a far too lucrative industry and the Government has direct responsibility in this respect. The Minister and the incoming Government need to deal with this issue in a realistic, fair, honest and decent manner. Rip-off Ireland is alive and well. We thought that in the aftermath of the Celtic tiger years some of that practice had ended but it is back with us. The cheek of any business to try to double and more than double insurance costs for a hard-pressed business man.

I did not thank the previous Government for much but I thanked it at the time for the efforts it made with respect to road hauliers. We had banged on for years about the pressure they were under with the high taxation on their lorries. I think the Acting Chairman spoke about it at the time. We were helping out the hauliers. It is a vital industry to our country for exports and connectivity with Europe and our near neighbours. It seems that because they got a break on that aspect some of those in the insurance industry believe they can penalise and screw those fellows and double their premiums. There is no regulation of this by the competition authority or anybody else. All these toothless bodies have been set up. There are countless such bodies and I heard another one mentioned on a radio programme the other morning, one I had not heard of previously. It is another quango. We have all these quangos. It is like a disease the

way they are spreading. It is killing businesses. Those bodies are not doing the job they were set up to do. They are not serving the public or serving the public interest. Many of them are self-serving and there are good jobs for the people in those bodies. It has become a good industry for policing and for having good jobs. Many of those involved in them would not know a lorry from a mountain deer. Those are the facts. There is no regulation. I do not know why we have allowed that to continue and why someone in government has not addressed it. The same applies to the competition authority when it comes to food prices in the large conglomerates and what they are doing to small businesses in Ireland. We are driving the lifeblood and spirit out of the people.

We have seen all the work done by the IFA, other rural groups and farmers to open up pathways through their lands with the development of greenways. It is no wonder there are difficulties when people see large claims being made. I condemn the people who commit fraud and, unfortunately, there is a good number of them. That is the reason we need insurance cover.

Medical indemnity insurance is frightfully expensive. We need balance, some semblance of fair play and honesty, and not these types of rackets. There are not enough exposés of such practices on television programmes and elsewhere to expose these wrongdoings. The wrongdoing is one thing but the underbelly of overcharging within the legal limits where no laws are being broken goes against the spirit of every law and action when it comes to any right-thinking person.

We are trying to kick-start the economy and rejuvenate our town centres and rural areas by getting people to support our home industry. We need to have a root and branch examination of the cartels in the industry and in the legal profession who are all in it together. The attitude of “You scratch my back and I’ll scratch yours, and I’ll pull the ladder up when I get up and keep it up so that anybody else can’t get up” borders on the perverse. It is not good enough. We are having statements on the industry but it is all talk and no action. We need action. If somebody is seriously injured at work or elsewhere, they have to be looked after but where industry and voluntary groups are being penalised unduly, the wrath of Government must come down on those involved, if we are ever going to have a Government and if that Government will ever have any wrath or power. I mean “wrath” and not the other kind in case those opposite think I was saying something bad about them.

Acting Chairman (Deputy Robert Troy): The Deputy might have a say in whether we have a Government. I call Deputy Lawless.

Deputy James Lawless: I welcome the opportunity to contribute to the debate on the insurance costs. I want to concentrate on the areas of public liability insurance, health insurance and general insurance. On public liability insurance, much has been made of the recent decision to award €40,000 to a hill walker, which was referred to by my colleagues in their contributions. That has generated a general concern about access to the countryside and walking routes and the fear this may be curtailed with attendant loss to the community and the tourism sector. That would be lamentable but I believe it need not happen. We have to be careful and measured in our response to this settlement and consider aspects of the judge’s verdict. The woman appears to have been an experienced hill walker who had climbed mountains abroad in difficult conditions. Equipment was provided in the park by the National Parks and Wildlife Service which was found to be wanting and had rotted, which led to the accident. We have to consider where there is a duty of care in such situations, and it is not unreasonable to suggest there is, particularly when the equipment was provided. It would be a different matter if the person had stumbled

across a bog oak or something naturally occurring in the landscape. The judge found that there was no contributory negligence involved. As I said, the person was an experienced hiker who had the right equipment and a reasonable expectation of care on the route. It is important that we realise that this case was reported not because it is the norm but because it is the exception, and it should not have wider implications for the industry or for walking. Was there negligence present? The judge appeared to think so.

It is worth reflecting on the Occupiers Liability Act, and in particular on section 3 which gives landowners the opportunity to downgrade their liability should they wish to do so. That is a measure landlords may wish to consider in the light of that finding if they wish to downgrade their status by erecting signage on their areas, which may reduce their duty of care in those situations. There are a number of options available, short of addressing it through the insurance field, which can allow the case to be dealt with as an isolated case without necessarily increasing costs to the insurance market or the consumer or restricting access to such public places.

On the same case, it has been suggested to me that another implication that has arisen is that, historically, a number of community groups may have been involved in putting in place pathways and walkways or restoring old bridges or towpaths, or greenways as we refer to them now. There may be some concerns about vulnerability if, say, a Tidy Towns group or Irish Men's Shed-type group has been involved in some restorative work as a community project and perhaps in the absence of a written agreement with the landowner. A potential vulnerability of those groups in the case of litigation is something that may be considered.

On the field of health insurance, and I must declare an interest because prior to entering this House I worked in the industry, it is a complex industry and one that in this country is undoubtedly expensive, although not by comparative international standards. Health insurance in Ireland is probably more accessible and affordable than in many jurisdictions, in particular the United States. Our health insurance system is underpinned by the concept of community rating, which is essentially a one size or one price fits all approach. The fundamental premise is that at the age of 18 or 80, despite having wildly different health costs and exposures, one pays the same price for the same plan. That intergenerational solidarity enables the younger members of the market to subsidise the older members. The theory, underpinned by public policy, is that as one moves through the stages of life, one will get out at the end what one puts in at the start. It is a good system. It works in many jurisdictions, including Australia, Ireland, Switzerland and the Netherlands. Until recently one could jump the gun by only joining the system later in life. The recent introduction of lifetime community rating, LCR, which addressed that, is to be welcomed.

However, flaws remain in the system. In particular, the concept of risk equalisation is a technical measure which allows different insurers in the same market to apportion risk according to their risk profile. Put simply, those insurers with an older book of insurance have a higher claims exposure and those insurers with a younger book are paying out less in claims but with the same price being applied to all customers regardless of age or health status, risk equalisation allows a transfer to a central fund to balance the risk between each insurer and ensure there is no profiteering on the basis of this approach. The system works well, where it works, and means the incentives to private companies are to compete on operational efficiencies, health outcomes, health care excellence and early diagnosis rather than on the basis of health status or trying to discourage older or sicker members to join a particular insurer, which would be contrary to the premise of community rating. Risk equalisation is not yet fully effective in this jurisdiction. Some measures were introduced recently but they still fall some way short of a

fully effective system. We must urgently address the risk equalisation system to provide a level playing field across the health insurance market and ensure that all customers, be they young or old, can benefit from the system of community rating, and that intergenerational solidarity allows the younger members to subsidise the older members and ensure quality of care in the private health insurance market across the board. This, in turn, saves the State money, because a functioning health insurance market reduces the burden on the taxpayer and the public health service. In budget 2014 the Minister for Finance at the time introduced a cap on tax relief for what he termed “gold-plated plans”, which I think was a retrograde measure. I hope it is now acknowledged that the gold-plated plans that were referred to actually represent 90% or more of the market and the vast majority of plans were affected, leading to a rise in the cost for consumers. This may have led to some shrinkage and exiting from the market, which does not help the system of community rating and results in a rise in premiums for everybody who remains in the system.

The concept of product proliferation is often discussed, whereby there are multiple health insurance products on the market. This leads to confusion among consumers and within the insurance industry. It must be understood that this is a function of the Health Insurance Authority, HIA, which mandates that every change in a benefit or plan leads to the creation of a new product. It is something of an artificial construction and I urge the Minister and the HIA to re-examine the rules in this area for simplicity and ease of competition in the market.

Moving on, briefly, to the field of general insurance and the rising premiums we see there, I have heard of anecdotal evidence that this may represent the reluctance of many insurers to tackle fraud adequately or to challenge claims and we see a large proportion of settlements on the steps of the court, as my colleague, Deputy McGrath, alluded to earlier. From speaking to private investigators and people involved in the claims analysis and claims investigation sector, there are many cases with flimsy evidence that proceed to settlement in the absence of trial, when a trial would have found against them had they gone the distance. It is submitted that insurers should have the courage of their convictions to proceed to trial in these cases where at least an arguable case presents. That in itself would discourage opportunistic claims, reduce the number of unnecessary settlements and reduce costs. This is backed up by section 14 of the Civil Liability and Courts Act 2004, which references the onus on claimants to provide an affidavit of the truth of their claim and evidence supplied. Criminal prosecutions can ensue from a false claim under that provision. It is very rarely invoked and I am not sure there have been any successful prosecutions under that section, but it is there. The law is on their side and it should be used in those cases to challenge bogus claimants to prevent them defrauding insurers and in turn passing the price increases on to the rest of the market and the ordinary man.

A final point on the cost of general private insurance. The book of quantum needs to be revised. The majority of cases coming through insurers and going to litigation reference the Personal Injuries Assessment Board settlement guide. Against international comparators, many of the metrics of quantum in that are outdated and overpriced. For example, the price of whiplash and standard injuries can be referenced in this book and used as a guide for settlements. Many of these are known to be very much inflated by international standards. Revising the PIAB book of quantum would lead immediately to a reduction in settlements and therefore a reduction in the cost of personal injury claims and of general insurance.

That is a brief synopsis of some points regarding the health insurance and general insurance markets. I thank the Acting Chair for the opportunity to contribute to the debate.

Deputy Bernard J. Durkan: I am glad to have the opportunity to speak on this very important subject. It affects everybody in the country; it affects costs to businesses and to households, to industry and to the country. To make a brief reference to motor insurance costs, this affects young people to a huge extent. Tragically in many cases, young people do tend to get involved in accidents more than one would like. This very often has tragic consequences for those involved and obvious consequences for the insurance sector. The statistics are there to prove it. I do not know what the answer to that is, other than to try to ensure that whatever regulations need to be improved to deal with that issue are improved as a matter of urgency, because this issue has come up again and again. People under 20 or 21 years of age were always “loaded” in respect of motor insurance. We all understood that. It is a long time since I was in that age group, but despite what people might think, I was in that age group and I can distinctly remember how unfair I felt it was. That applies to the young generation nowadays as well. Even when getting out of the danger age, there was still a reference to it in all insurance quotes, so there is nothing new in that.

Remarks have already been made by a number of speakers to the effect that some insurance companies and banks tend to move in and out of this jurisdiction. That is something we need to be very careful about in the future, because we all have been victims of the insurance companies which tend to move out. The manner in which insurance is made available by such companies needs to be carefully examined by the powers that be in the future to try to ensure that when a company comes into a jurisdiction and decides to do all that is necessary to establish a market head, it does have responsibilities after that and moving away when the going gets tough is not one of them. The public may find themselves penalised as a result and we should also draw attention to the companies themselves and what their responsibilities are in that. That is just in passing.

The cost of home insurance, particularly in respect of flooding, is an issue that has to be dealt with. We need to deal with it differently. It is far too common now for insurance companies to say to homeowners that because the house was flooded before, either the company will not insure them or if it does, it will cost an arm and a leg. The Minister of State responsible is here now and I think he accepts that when drainage or flood alleviation is required, we need to get ahead of it. We need to do it beforehand rather than afterwards. Then we will not have so many visitations to the same spot over and over again. As I have often said in the past, there is no part of the country that cannot be drained if we have the will to do it. It is a matter of deciding whether we are going to do that or whether we are going to let the flood waters spread all over the country, which is what some people think we should do but it is not a good idea to my mind. There was a guy called Archimedes, who lived well before my time, and even before the time of the Acting Chair. He perfected this whole idea of drainage to such an extent that he made many things possible that were seen before to be impossible. Unfortunately, in the years since then, we have drifted back to thinking we cannot do anything and as a result of not being able to do whatever it is that we should have done, we increase insurance costs and make it difficult for people to live in certain areas.

Incidentally, and people do not really know this, the local authorities have actually encouraged people to build in low-lying areas in rural locations, to “countersink” the dwelling on the landscape. I do not know where that came from but I have an idea it has something to do with the visual impact on the scenery. That is fine, but if one lowers the level of a house sufficiently, the water will flow in. It does not matter where it is; that is a fact of life. Somebody should press the button that sets off the alarm bells and try to ensure that does not happen in future.

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Reference has been made to medical insurance costs by previous speakers, including my constituency colleague. Health insurance is gradually creeping up and there are all kinds of reasons for this. Increasing awards are given as a result of the increases, but the whole concept of community rating was originally intended to ensure the insurance impact was spread across the insurance industry and to prevent cherry-picking. A certain amount of cherry-picking is taking place at present and it is time to put an end to it. Let us call a spade a spade. It should not be happening. It is not supposed to happen. It is in breach of the law. The regulations are there and we should deal with it.

Medical negligence costs are on the increase as well. Some people say we are well placed in comparison with other countries. The United States is probably the leading example of where almost every case is challengeable and is challenged regularly. That is contributing heavily to insurance costs and we are heading in that direction here as well. Everybody pays, not only one sector.

I want to finish on one element that has come to my attention and to everybody else's attention as well over the years. It is the question of various insurance policies that have been sold to people on the basis that they are likely to have a grand little pot of gold at the end of the day, maybe €100,000 or €150,000 depending on what they pay into it and so on and so forth. It used to be a benefit-related insurance but in many cases it has now turned into a contribution related benefit, for want of a better description, in which case the insured person will be given a minimum amount of €25,000 or €30,000 out of a €100,000 premium and the remainder will be paid to them on an annual basis - a minimum amount of €170 or €180 a month for the next 20 years or so, if they live that long and provided they can show they have a private pension of more than €12,700. I do not know who thought up that idea in the first place but it was not the insured. It was not somebody who contributed to an insurance policy for a period of 18 or 20 years in the hope that they were going to get some benefit from it afterwards. What really infuriates me is when one tries to intercede on behalf of the people who are thus affected, one is told that they must prove they have independent means. If one had independent means, one would not need an insurance policy at all. The reality is that if one had the €12,700 or whatever is required independently and separately - in the bank or whatever the case may be - one would not be asking for this at all in the first place. I congratulate the insurer who came up with the idea. It is a brilliant one because it is "heads I win, tails you lose" in so far as the insured is concerned. I ask that the Minister of State relate that to the relevant section in the Department because it has been a bone of contention for many years and it is one with which we have all had to deal over recent years and as time goes on to a greater extent.

I am not a contributor to any of these policies just in case anybody is looking at me suspiciously. I am not a contributor to any of these particular policies and I would not join them in a fit. I advise everyone else not to join them either. Unfortunately, a great number of our constituents have done so and have paid the price and suffered the anxiety, stress and trauma of having a considerable pot of money that is effectively theirs sitting in a pension fund somewhere that they cannot access unless they live to about 90.

They are just a few of the things that come to my attention and have come to my attention over a long number of years. I used to be a spokesman in this particular area years ago and the same things applied then. Nothing has changed. I can assure everybody that nothing has changed in the intervening period but one would hope that things will change as a result of the debate we are having now.

Deputy Brian Stanley: I welcome the opportunity to speak on this important issue. I want to focus on the cost of insurance, the problem of insurance for people living in areas that are at flood risk and for victims of flooding, and the cost of motor insurance. Over the past year in particular, insurance companies in this country have acted with impunity and rode roughshod over people. They have shown complete disregard for victims of flooding and they continue to do that even for those who are trying to insure motor vehicles. Throughout December 2015 and into the early months of the new year, many counties throughout the country were devastated by flooding. In my constituency of County Laois, some householders living in the Mountrath, Portarlinton, Ballinakill and Graiguecullen areas were particularly affected by flooding. There was also flooding of large tracts of land and I want to mention it to the Minister of State with responsibility for the OPW. I mentioned to him here four months ago the flooding caused by the River Nore overflowing, in particular in the area of Castletown to Attanagh and the Shanahoe area. This requires a modest amount of money. Trees have fallen across the river and silt banks need to be removed. The county council has allocated around €20,000 in its budget but it needs a bit more than that. There is always flooding down there but this year thousands of acres were flooded which would not have been flooded if some drainage works had been carried out and obstructions had been removed from the river. I ask the Minister of State to come back to me on that.

To come back to insurance, for many of the people who had homes and businesses flooded, the injustice of having inadequate flood defences and drainage works was made worse by the actions of the insurance companies. In 2014, the memorandum of understanding between the OPW and industry, which the Minister referred to in his speech, was supposed to have led to greater levels of flood insurance in areas where improvements had taken place. Unfortunately, the industry's response to this has been mean with no real improvements for communities in the at-risk areas. Furthermore, insurance companies are refusing to cover households in areas that were zoned at risk of flooding under the first and totally inaccurate CFRAM study. There was a CFRAM study done which is now being redone. There is a new study being done at the moment. The first one was a desktop study. They did not even go out to the area. The ridiculousness of the process is shown by the fact that Garryhedder on the slopes of the Slieve Bloom mountains, the far side of Clonaslee in County Laois, is zoned to be at risk of flooding. The top of the Esker Ridge in Portlaoise is zoned to be at risk of flooding. If those two areas flooded, nearly all of Laois and Offaly would be under water. It would be a Noah's Ark job.

There is a new CFRAM study. Locally Sinn Féin has made submissions. I ask the Minister of State to bring this to the attention of the Minister for Finance, Department officials and the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, and to ensure this matter is corrected before he leaves office. A recent report by the Oireachtas Joint Committee on Finance, Public Expenditure and Reform showed that even by 2020, after the improvements are finalised in Cork city, insurers will still refuse to guarantee insurance cover. The almost unique lack of State involvement in insurance in this State has led to private companies being able to pick and choose and demand that more taxpayers' money be spent on flood protection while keeping their hands in their pockets all the time. Insurance companies need to be shaken out of their complacency in this State. The British Tories have no qualms about direct state involvement.

Those trying to insure motor vehicles have also experienced difficulties with the industry over the past year. The CSO has stated that motor insurance has increased by 30%. I would say, given the representations I have had from constituents in Laois and south Kildare, that the

figure is higher. Nevertheless, the situation is becoming unsustainable. The cost of insurance premiums is rendering out of many people's reach the cost of owning and running a motor vehicle. It is unacceptable that working people who rely on cars to travel to work or who rely on vans for employment purposes are being crippled to breaking point by the insurance industry. This is a particular problem for people in rural areas. In cases where little public transport is available and a car is necessary for work, young people throughout County Laois and south County Kildare have told me they are basically being priced out of their jobs. Many of them are on low wages and need a car because there is no public transport. I refer to people in south County Laois who are trying to get into Portlaoise to work or to people from Monasterevin, Graiguecullen, Clonaslee or Mountmellick who need cars to get to work. Furthermore, the significant cost increases on commercial vehicles are often being offset onto small businesses and the result of this can be job losses and non-expansion of companies. The situation is viciously cyclical and affects drivers, transport and small hauliers.

I understand a review group is in place and is working on some of the issues raised in this Chamber. It should come up with some fair, imaginative, intelligent and workable solutions that also consider insurance models in other countries and it should find out what is best. Consideration should be given to what is happening in other countries such as New Zealand. The review group must come up with solutions that can be put in place to resolve this issue and to relieve the pressures on drivers, businesses and home owners because the current position is chaotic, unsustainable and unacceptable. I ask the Minister of State to report back to the Dáil on the outcome of this review as soon as its work is complete. Thereafter, Members must press ahead with the reforms and recommendations and must get a grip on this runaway, chaotic industry and must make insurance accessible and affordable for motorists, businesses and householders.

Deputy Richard Boyd Barrett: I will focus in particular on health and car insurance. One also could throw in flood insurance and other insurance issues. Insurance is one of the biggest rip-off scandals affecting ordinary citizens nationwide. It speaks to a fairly dramatic policy failure on the part of the current and previous Governments. As for what I mean by that, the problem is one of constantly rising premiums that cost people an absolute fortune and I refer to trying to understand how to deal with this problem, which is crippling many people who are paying out for private health insurance, the premiums for which have rocketed in recent years, or car insurance, the cost of which increased dramatically again last year by an average of 30%. When one cuts through all the chatter about it, what is at its base is profiteering by private companies. It is as simple as that. The Minister, in his speech to which I listened and through which I have read, pretty much admitted this.

To get to the bottom of this issue, instead of simply spouting hot air, an explicit acknowledgement is needed of what is at its base and how the reality of what is happening in insurance has debunked the ideological inclinations and prejudices of Fine Gael in particular but one possibly could throw in Fianna Fáil as well. The Minister said "healthy competition within the insurance industry should facilitate" reasonable insurance costs. He said it should, as that is the market belief. If one has competition between private insurance providers, such competition should, according to market theory, reduce premiums. Strangely, however, it does not. The opposite happens, premiums go up and it costs people a fortune. Why does the reality defy the theory consistently? A page or so further on in his contribution, the Minister gave the game away. He stated:

Until recently firms enjoyed a prolonged period of reasonable investment returns on the asset side of their balance sheets. This income stream provided firms with the scope to

compete aggressively on price. However, recent reversals in investment markets worldwide have generated investment losses.

Consequently, in layman's language, when the insurance companies are not making a profit, premiums go up regardless of how much competition there is in a market. The idea that there would be competition and that this would put downward pressure on premiums simply does not translate. This was further confirmed at the beginning of 2016 by Standard & Poor's, one of our favourite international players. These are the guys who tell us what is happening on the bond markets and who rate states and their bonds on their creditworthiness, and in January 2016 the agency stated that Irish insurance companies would need to hike the costs of car insurance if they were to return to profitability any time soon. This was a senior analyst for Standard & Poor's explaining why, to get to profitability, they would be obliged to hike up car insurance costs and boy, did they do that to ridiculous and obscene levels, such as increases of 30% and young people being asked for up to €9,000 to be insured in some cases. This is absolutely unbelievable and is simply all about them making money. If they are not making money, they must jack up premiums and crucify people.

Is it not obvious that Members must cut these gombeen men out? That is what they are: they are fancy, global, nicely branded gombeen men. The middlemen profiteering in the area of health, car insurance, flooding or whatever it is are the problem. Their hunger for profit and the fact they operate purely on that basis dictates everything and currently is dictating extortion in the area of insurance. They must be taken out of the equation and profit must be taken out of the equation, most obviously in health. Five years too late, the Government acknowledged this with the abandonment of the universal health insurance policy. The Economic and Social Research Institute, ESRI, hardly a radical think tank of the left, confirmed what some Members on this side of the House had been saying for five years, namely, that involving private health insurance companies and claiming one could deliver universal health using private insurance companies would not work because one was not factoring in their drive for profit. One could add to that all the other unnecessary costs that go with private for-profit companies in this area. I would love to know how much they waste on advertising. I do not have the figures to hand but it would be nice to find out because one hears and sees their advertisements every day on television, on billboards and on the radio advertising private health or car insurance. How much money is wasted on that totally needless expenditure? All this stuff like branding, public relations consultants, administration and billing is absolute waste and profiteering. That is why the ESRI finally concluded with regard to universal health insurance, and the Government finally was obliged to admit five years too late, that the universal health model was going to cost €600 million to €2 billion more than currently is being spent on health and the Government was obliged to abandon it.

However, the Minister of State should take the next step and recognise that the involvement of the private health insurance industry in health care at all is a disaster. It is not just that we need to abandon universal health insurance; we need to get the private health insurance industry out of health, full stop. All it is doing is leaching money out at the expense of people who are forced into private health insurance because of fear of what is happening in the public system.

This relates to the debate we had earlier. I have here a very interesting paper, called "Creating Two Levels of Healthcare," which I invite the Minister of State to read. It was produced by Claire Finn and Niamh Hardiman at the Geary Institute in UCD. There are a couple of interesting passages in it. They explain the relationship, if one likes, between the private system - private health in general and private health insurance - and the mess in the public system.

They state:

... the quality of the public sector is kept at a level that induces those who are better off to leave the public sector and seek private treatment ... Waiting time induces patients with high waiting costs to choose private treatment...

In other words, no one would take out private health insurance if there were no waiting lists. The private health insurance industry would not exist and people would not have to pay out €2,000 or €3,000 a year - and those costs are rising all the time - were it not for the waiting lists. Why would one possibly do it? It is only because there are waiting lists and accident and emergency units are a mess, meaning people are frightened to go into them. That is the only reason one would possibly take out private health insurance. The viability of private health insurance depends on the existence of a crisis in the public health system. The private insurance companies need it. Without it, no one would go to them. Therefore, they leach money out of the system. Billions of euro are spent.

Acting Chairman (Deputy Marcella Corcoran Kennedy): Thank you, Deputy.

Deputy Richard Boyd Barrett: I will finish now. When the Minister and the Government spoke before Christmas about how we spend more than everyone else in Europe on health, what was not unravelled was how much of it is in private health insurance and charges. In fact, it is about 25% or 30% of overall expenditure. This is second only, probably, to the United States, where approximately 40% of health expenditure is on billing, profit taking, advertising and administration and is not going to the front line. What do we need? We need to get rid of private health insurance in the public health system and we need a State insurance firm that is driven not by profit but by the aim of having reasonable insurance costs and that is not profiteering at the expense of ordinary citizens.

Deputy Brendan Ryan: I am glad to have the opportunity to speak on this very important issue. As this is my first time to address the Thirty-second Dáil, I would like to take a moment to thank my constituents for their support in the recent general election. I am extremely proud to have the opportunity to continue to represent the people of Dublin Fingal in this House.

As was mentioned by the Minister for Finance, Deputy Noonan, the Department of Finance is currently conducting a review of policy in the insurance sector. I welcome this review. It is absolutely necessary and urgent. As was noted by the Minister, Ireland's insurance industry has managed to come through the financial downturn intact and is still providing Irish jobs and contributing to our economy in a significant way. It has faced many challenges over the past five years which cannot be ignored. We need only to look at the CSO figures to know that insurance costs have been rising steadily in Ireland for the past five years. Since 2011 there has been a 29.6% rise in insurance prices. Motor insurance, in particular, is an area of concern. Motor insurance prices have risen 33.5% since 2011. In the past 12 months, there has been a 26% rise. This rate of increase is not sustainable for consumers, businesses or insurance providers. These increases are killing struggling households.

The National Competitiveness Council has highlighted the need to address this issue so as to avoid stagnation in the insurance market and, therefore, less competition. Its research has found the Irish non-life insurance market to be relatively competitive, but the market remains unattractive for new entrants due to low levels of profitability. Both the National Competitiveness Council and Insurance Ireland have identified solutions to many of the problems faced by

the industry here.

I would like to take few moments to bring to the Minister's attention a few key issues which have to be addressed. There is a deficit of data surrounding insurance claims in Ireland. A lack of publicly available information has made it more difficult for the industry and ourselves to assess the factors driving up insurance costs. There is a need to comprehensively benchmark insurance costs and the drivers of costs in Ireland. This cannot be done until the causes of rising insurance costs are properly identified. Data needs to be collected from the industry. With regard to claims, more in-depth information would facilitate a better understanding of the problem. The National Competitiveness Council has recommended that this could be addressed by simply collecting data on claims assessed by the PIAB and claims settled through litigation. We are never going to find a long-term solution to these spiralling insurance costs if we do not collect the necessary information about their causes. The PIAB needs to be empowered to conduct this data collection.

Any new legislation on this matter needs also to address the challenges faced by the PIAB. One such challenge is the non-attendance of claimants at PIAB medical examinations. Just last week, Kevin Thompson of Insurance Ireland pointed to the right of claimants not to attend PIAB medical examinations as a serious stumbling block in the effectiveness of that body. If the board cannot mandate that those seeking insurance claims must do something as simple as attending a medical examination for assessment of their injuries, how can it be expected to be effective in its assessments of insurance going forward?

Another issue that must be addressed in light of rising insurance premiums is the simple yet crucial step of enforcing health and safety legislation. One example is the crucial area of motor insurance claims. As I mentioned previously, motor insurance prices have risen by 33.5% since 2011. We need to ensure that An Garda Síochána and the Road Safety Authority are fully equipped and supported to maintain an adequate level of enforcement of road safety laws. I am sure we are all aware of Garda figures released last week which show a drop in the number of drink-driving tests administered by gardaí. This, coupled with falling numbers of gardaí serving in the traffic corps, from 1,200 in 2009 down to 750 in 2015, is an issue that needs to be addressed and has become a point of concern for the Road Safety Authority. I am sure we all agree that prevention is better than cure, and the fewer road traffic incidents there are on Irish roads, naturally, the fewer insurance claims we will have to deal with.

The final concern I will raise on this issue is that of rising legal services costs associated with the insurance industry. The cost of legal services has been cited by the insurance industry as a contributing factor in the rise of insurance prices. While the Legal Services Regulation Act 2015 goes some way towards addressing the problem, work still needs to be done with regard to the cost of legal services, such as improving case management in the courts. A key contributor to this is the fact that almost all claimants through the PIAB are represented by solicitors. This is rather surprising, given that the board was established in the first place to reduce the need for legal representation for claimants, which was in part, at the time, an attempt to reduce legal costs in insurance claims. These costs associated with legal services in the insurance industry are resulting in a need for higher awards and, by extension, higher insurance premiums.

It is my hope that the concerns raised by all Members of the House who have spoken on this issue today are dealt with head-on by the Minister and his Department, and I welcome the ongoing policy review being conducted by the Department of Finance. However, this must be brought to a speedy conclusion and any recommendations implemented quickly. All of this

will be driven by the need to have a Government. I therefore urge a speedy conclusion to that process so that the new Minister, whoever he or she may be, can begin to deal with the issues addressed in this House this week and last.

Deputy Robert Troy: I welcome the opportunity to contribute to this debate. The last speaker finished his contribution by speaking on the need for a Government. Deputy Mattie McGrath, in an earlier contribution, bemoaned the vacuum caused by the absence of a Government and noted the need for certain Deputies in the House to show leadership. I could not agree more with Deputy Mattie McGrath. He and his Independent colleagues have had an opportunity to show that leadership many times over the past seven weeks. In fact, on three occasions he had the opportunity to show that leadership and baulked at each one. The people are becoming frustrated, anxious and concerned about the slow progress that is being made.

It is not good enough to come to the House to make statements. This morning we had statements on the health service. While I did not contribute to the debate, I do not imagine many positive contributions on the state of the current health service were made. We are making further contributions on another issue that is causing major worry and anxiety to the people we are fortunate enough to have been elected to represent.

The outgoing Government turned a blind eye to the insurance industry over recent years, which is alarming. Today, *The Irish Times* published an article on the lack of Government action on the pressure on premiums caused by the €90 million collapse of the Setanta insurance business two years ago. It referred to the lack of action by the Government on the issue over recent years. Given that the Government has not prioritised the issue, it is little wonder that the percentage increase in motor insurance has been 50% since 2011.

Many young people are trying to start off in life. They buy cars and want to go to work, but the biggest impediment if they do get a job is how they will be able to afford to run their cars. I bought my first car in the late 1990s or early 2000s. The cost of insuring it was £3,000, while the car cost £2,900. Back then, the Government established the Motor Insurance Advisory Board. As a consequence, there was a genuine reduction in the cost of insurance in subsequent years. There is no point in people making statements in the House if nobody will listen.

There is an urgent need to re-establish the Motor Insurance Advisory Board. We need to examine how such a board will work. We also need to ensure we have full transparency and that exaggerated claims are tackled. Previous Governments did a lot of work on preventative methods, such as the introduction of penalty points, random breath testing and rigorous enforcement of road safety by An Garda Síochána. Unfortunately, in recent years gardaí have not been able to maintain their previous presence on the roads. We need to ensure such preventative measures are reintroduced. I appeal to the Minister of State to reconstitute the advisory board immediately with a view to review reducing the cost of premiums for hard-pressed people.

Another area on which I want to focus is flood insurance cover. I met the Minister of State in Athlone. He saw at first hand there and in many other areas the devastating impact of flooding during last winter. Flooding is a major issue, but the major concern is how people will repair and restore their homes when the floods recede. Major flooding originally occurred in 2009, and since then hundreds of families in Athlone - I am being parochial in regard to Athlone - were not able to avail of house insurance.

The one fortunate thing about the configuration of the current Dáil is that the Government

will have to start listening to the Opposition and taking its proposals on board. Earlier this year, we published the Flood Insurance Bill, following extensive consultation with the Irish National Flood Forum, because we wanted to tackle the key aspects of this issue. In essence, the Bill provides that where the OPW has completed a flood relief scheme to the required European standard or where the flooding risk has been deemed to be extremely low by the OPW, an insurance company must offer flood insurance at a price that can be reasonably justified by the current risk profile associated with the property. The Bill sets out the respective roles of the Financial Services Ombudsman and the Central Bank to ensure that the purposes of the Bill are implemented. Just because an Opposition party proposes something does not necessarily make it a bad proposal.

Deputy Simon Harris: We did not debate it.

Deputy Robert Troy: The Government did not adopt it. The Government did not facilitate a debate. One only has an opportunity to bring forward Private Members' motions once every three weeks. When there is an emergency, such as the recent flooding, it behoves the Government, which on previous occasions set a timetable for what was and was not debated, to act.

Acting Chairman (Deputy Marcella Corcoran Kennedy): Through the Chair, Deputy.

Deputy Robert Troy: The Minister of State said we did not debate the Bill. He is correct. The Government did not afford us the necessary time to debate it. It is unfortunate that was the case.

I hope the current discussions and negotiations come to a fruitful conclusion in the very near future. For the first time there will be a real opportunity for people on both sides of the House, rather than identify everything that is wrong in a particular area, to bring forward solutions in order that issues can be addressed. In that spirit, I hope the solutions that have been brought forward regarding flood insurance cover and how we can reduce motor insurance premiums mean that in the not too distant future we can reduce premiums for the hard-pressed constituents we are here to represent.

Acting Chairman (Deputy Marcella Corcoran Kennedy): Deputies Timmy Dooley and Fiona O'Loughlin are sharing time.

Deputy Timmy Dooley: I also hope to share time with Deputy John McGuinness.

Acting Chairman (Deputy Marcella Corcoran Kennedy): Is that agreed? Agreed.

Deputy Timmy Dooley: The pooling of everyday risk at a price that can be afforded by individuals and businesses is a practice that has been going on for over three centuries, and without this system of risk sharing, businesses and, indeed, economies could not function and individuals would not have the capacity to go about their normal everyday lives. Insurance has to be affordable, and for it to be affordable there has to be a relationship between what we are willing to pay in compensation for injuries caused and the cost of underwriting that risk.

Any cursory look at the newspapers demonstrates that this relationship has broken down. Injured parties must be compensated, but some recent awards suggest that in the assessment of damages, the need to have regard to proportionality is not always observed. The issue of proportionality in awards was addressed in the Court of Appeal by Ms Justice Irvine last week. In a judgment she concluded that damages can only be fair and just if they are proportionate,

not only to the injury sustained by the plaintiff but also when assessed against the level of the damages commonly awarded to other plaintiffs who have sustained injuries which are of a significantly greater or lesser magnitude.

She said it was important that minor injuries attract modest damages, that middling injuries attract moderate damages and that more severe injuries attract damages of a level which are distinguishable in terms of the quantum from those that fall into the other lesser categories. This is a significant judgment in that it restates the principle that should govern the assessment of damages and, in fact, a number of personal injury awards by the High Court have been halved by the Court of Appeal, although not without some considerable cost to the defendants fighting the case.

In a judgment just last week, Mr. Justice Max Barrett referred to the flourishing cost of High Court litigation, which he said highlighted the need for a systemic solution. Clearly, we need lawyers to have access to a legal system but if the fees charged put recourse to justice beyond the reach of all but the very wealthy, which is what the judge has concluded, then surely it is high time we addressed the issue as a matter of urgency.

According to the insurance industry, fewer than 8% of policyholders make claims and, in most cases, those claims are entirely legitimate. We must make sure, through our regulatory system, that all such things are settled speedily and fairly, but it is also clear that, for some, claiming on insurance policies is a way of life. Let us be clear. It is the consumer who pays these costs through increased premiums. It is time we had a compensation system that deals fairly with the claims of the majority of decent, honest policyholders and is paid for out of the reserves that are set aside by the insurance industry. The idea that decent, honest policyholders should be asked to foot the bill for fraudulent claimants is a perversion of the original idea of insurance. It is our job, as legislators, to ensure this state of affairs is ended.

Deputy Fiona O'Loughlin: I am grateful for the opportunity to speak on this hugely important subject. The rising cost of insurance has affected every member of our society, both directly and indirectly. The rising costs reflect a combination of Government-imposed costs, poor regulation, mismanagement by the insurance sector and legislative failure. This applies right across the board to motor insurance, health insurance, public liability insurance and flood insurance.

Many people do not have a choice in regard to running a car because it is an absolute necessity. Regardless of whether it is a choice, everyone who runs a car is hit first with the cost of car insurance before they face into car tax, NCT costs or the ever-fluctuating and heavily taxed price of fuel. The rising cost of motor insurance is a major frustration and one of the biggest consumer issues facing motorists at the moment. Consumer bodies have reported an increase of close to 40% on average over the past 18 months and, for many individual drivers, the increases are even worse.

Information gathered from a number of sources would suggest there are several contributing factors. Figures from Insurance Ireland indicate motor claims costs are rising and the level of awards being made in the courts is at an all-time high. The average High Court award in 2014 was up 34% on 2013 and the average Circuit Court award was up 14% on 2013. In litigated cases, legal costs in Ireland account for more than 60% of the compensation awarded. A task force is certainly required to address the issues. Insurance companies, the courts, the Injuries Board, the Central Bank, the Government and the Garda Síochána must act together. Systems

must be put in place in order that compensation is set at levels society can afford.

The Small Firms Association said insurance costs have increased by 29.6% since 2011, with the last year being particularly difficult. I know there are many small businesses in south Kildare that have managed to weather the storm of the recession and should now be in a position to expand and grow. However, they are being hit with insurance costs which have risen 29% since 2011.

Poor regulation and the collapse of Quinn Insurance and, subsequently, Setanta have left a legacy for the insurance industry. It will become impossible to do business in Ireland, both from a domestic and foreign direct investment perspective. Urgent action from Government is required to halt this trend which could have severe consequences for small businesses throughout Ireland. I agree with the SFA in calling for responsibility to address this issue to rest with a single Minister who can co-ordinate the actions needed by different Departments and the Central Bank. This must be prioritised by the new Government.

A particular challenge I want to refer to is the impact on the community sector. Throughout Ireland we have wonderful community groups which organise festivals and cultural and sporting events for the benefit of their communities. They are stymied completely by the rising insurance costs we have seen year on year. Again, this is an area which must be prioritised by the incoming Government.

Deputy John McGuinness: I want to place on record the difficulties being experienced by the SME sector in regard to insurance cover. In the transport industry, some companies had their insurance increased by 100% last year and they face a similar increase this year despite having no-claims bonuses and having regular staff in place. There is no reason for this but the costs continue to go up. In some cases, courier companies cannot get cover, for some reason or another.

Whatever happens in the insurance industry, it has to be Government-led, it has to be regulated and we have to legislate for this. Every single cost that is put onto a small business, particularly in transport, goes right down the line to the consumer. That has to stop and the only way it can stop is to ensure that insurance companies do not get away with hiking the premiums in different sectors, particularly transport, which provides huge service to the country, employs a huge number of people and serves both individuals and businesses, which means everybody is affected by this.

My second point is in regard to those who cannot get insurance. I am glad the Minister of State, Deputy Harris, is present to hear this. Many people living by rivers in flooded areas cannot get insurance. As a substitute for that, we have the Red Cross scheme and funding through the Department of Social Protection. At Brett's Mills in Kilkenny, three businesses were affected and all three have closed. This is a family-run business that has been there for generations but it cannot get sufficient money from the Red Cross to go back into business. It is not being heard. The family is faced with a bureaucratic nightmare in terms of dealing with the businesses concerned. I hope the Minister of State and his officials will take the message back that something needs to be done.

On the same site on the Sion Road at Brett's Mills, a house was severely damaged by flooding. In the same way, the family used the compensation scheme because they had no insurance but they are now being told that, because their father owns the house, the contents cannot be

covered and the family cannot be helped. However, it is a family home and it is in their name. There is no reason the Department of Social Protection should turn them down.

I ask the Minister of State and his officials to try to deal with these issues. I appeal to him also in regard to health insurance and public liability insurance. This all comes down on the self-employed, who cannot respond anymore because they cannot cut that cost to their business. Where are they to turn but to the Government? Despite this, the Government has ignored them over the past five years. Similar issues have arisen in the UK but they have been dealt with by government. We have to be brave enough to take on the industry and to put in place the appropriate regulation that will ensure there is insurance for the SME sector and that it is not over-burdened by the substantial cost that is weighing it down.

Deputy Michael Fitzmaurice: I am grateful for the opportunity to speak on this issue. Everybody I talk to, whether they have a motorbike or a lorry, be it a farmer or an SME owner, tells me that, in all walks of life, the hikes in insurance are unbelievable at the moment. Today I spoke to a person employing 14 people in a business that has 11 trucks. Its insurance last year was €80,000 but the bill it has received for this year is for €125,000, which has to be paid within two weeks, and there is public and employers' liability to be paid on top of that. This concerns the haulage business, which provides jobs in places where there may not otherwise be jobs. Today, it was checked out and in Bulgaria for the same 11 trucks the cost is €1,200 each. That is the reality of what is happening. There is no problem with it. At this minute Irish hauliers can move to Bulgaria because there are no major restrictions. They can go there and set up. We are going to lose those jobs. This is the reality, especially with trucks going to the Continent with fridges with meat and so on. That is what we are facing at the moment.

Last year in the budget the Government brought down the tax on the wagons with a large saving and I welcomed that. However, those in the industry are now being crucified by double that amount because of what the insurance companies are doing. I know the haulage industry. In the coming months we will see a vast number of people with lorries exiting this country because the insurance costs have gone out of control. We are all on about trying to create jobs but we have to keep the jobs we have at the moment as well. Whatever needs to be done, whether through legislation or whatever, this has to be reined in.

It is nearly impossible for youngsters trying to get insurance. I have said this before. The companies may be concerned about young people crashing or whatever. I cannot understand why we cannot put a speed restrictor in the vehicle to try to help them.

I agree with everyone who has spoken thus far about awards. We cannot keep paying out €5 million, €6 million or €8 million in awards. Whatever we have to do, we should do. Insurance companies seem to take the view that they will fix the car for their customer and then ask how the customer is feeling and offer €10,000. That is the reality. They will not fight cases. I have seen it myself because I am in business. If I ask insurance companies to fight a case, they will not fight it, although I might believe I could win it. If we do not address this we are going to lose left, right and centre. This applies to small businesses and people subjected to flooding. Deputy McGuinness spoke about them. Some people are being refused insurance at the moment. I have spoken to farmers and they say insurance costs have gone up considerably.

We could go through the entire insurance industry but I am not going to do it now. I am pleased that I got a few minutes to speak and I thank you for the opportunity, a Cheann Comhairle. We could talk about it all day in the House but the reality is that today companies are

facing costs of €125,000 plus a further €25,000 for public and employers' liability. I have outlined the case of one company. If that company goes to Bulgaria, the cost is €1,200. That shows the difference. No one can stick that or put up with it.

Minister of State at the Department of Finance (Deputy Simon Harris): I am pleased to be in the House. It is a great honour to be a Member of the Thirty-second Dáil and to have heard the contributions of many new and returning Members on all sides of the House. I hope this Dáil lasts for some period of time. It is a surreal experience to see everyone talking as though everything is normal when we are in a situation that is anything but normal. I share the views expressed during the debate by Deputies on all sides of the House to the effect that this period of political impasse can end in order that we can get on with tackling the many issues Deputies have raised about this important sector, the insurance industry and cost of the insurance industry. I wish you all the very best in your role as well, a Cheann Comhairle.

The insurance sector makes a vital contribution to the economy through employment, attracting global capital and, most important, through serving the needs of our consumers. Insurers play a key role in providing the stable long-term investment needed to drive sustainable economic growth. I look forward to seeing this sector continuing to grow and provide more employment. We are working closely with the sector through the IFS 2020 strategy in terms of attracting more foreign direct investment in this sector to our country, especially into regions throughout the country.

The discussion today has been about the cost and availability of insurance for people and businesses. The cost of insurance affects businesses in terms of their ability to price competitively, employ more people and innovate. Community and voluntary groups are affected in their ability to provide services and events that enhance community life. Motorists, householders and families are affected by the cost of motoring. The issue of flood insurance, an issue I am familiar with, has come to the fore again in 2015 and I will comment on that in a moment.

The Minister for Finance pointed out in his opening statement that the Department of Finance is close to completing its work on the review of the motor insurance compensation. It is carrying out this review jointly with the Department of Transport, Tourism and Sport. It should be remembered that this is a complex issue in respect of which it is important that any changes made do not result in unintended consequences for policyholders, the Exchequer or the industry. Taking this into account, the review, which started in January of this year, is being completed as quickly as possible, but it is also being done in a thorough manner. When it is completed in the coming weeks, the Department will continue its work in respect of the overall review of policy in the insurance sector. The cost of insurance will be an issue of particular focus. I believe we all agree that it is important for this review to have a successful outcome. In other words, we wish to see the cost of insurance reducing as a result. That is a shared objective of all Members. However, this is not straightforward. Insurance premiums cannot be directly influenced and the Government cannot interfere in how insurance companies price their insurance products. Moreover, insurance premiums have a renewal cycle, so whatever improvements can be generated will only be seen by individuals over time.

The Solvency II directive came into effect on 1 January 2016. It represents a substantial overhaul of the risk evaluations in European insurance regulation. It sets out new stronger EU-wide requirements on capital adequacy and risk management for insurers with the key aim of increasing policyholder protection, something that is important to achieve. It is expected that this new regime should reduce the possibility of consumer loss or market disruption in insur-

ance. Solvency rules have a consistent application across the European Union.

I wish to focus on the issue of flood insurance because it is an issue that has particular relevance to me in my current role as Minister of State with responsibility for the Office of Public Works. The State is going to invest €430 million in putting in place capital flood defences in the coming five years. This means the country is going to spend more on flood relief projects in the coming five years than it has spent in the past 20 years. If taxpayers are to do that and fork out significant funds to put in place robust flood defences, clearly it is not acceptable that at the end of that process there are still people in towns and villages in Ireland who cannot access flood insurance. If we accept that as the starting point, the question is how we tackle the issues.

The Taoiseach had the chief executives of a number of insurance companies in and we had a good robust discussion with them. The Department of Finance is carrying out a review of best international practice and what other countries do. The relevant group is due to report to the Government in June and whoever is in government in June will have policy options.

People have spoken about the United Kingdom flood relief system. I am very interested in looking at it, but that system has only been in place for 16 days. It came into effect on 4 April this year in the United Kingdom. Let us see how that beds down. It does not include small businesses; it only includes householders. We have an open mind. I heard Deputy Troy refer to the Fianna Fáil Bill. No side of the House has a monopoly of wisdom on this. We have an open mind but we must ensure we do not have unintended consequences. We have no wish to put up the cost of insurance for a large number of insurance holders to ensure a small number can get it. We have to get this balance right and that will be the challenge.

Deputy McGuinness raised several cases. If he wishes to pass on those details, I will bring them to the attention of the relevant Ministers.

We have a great deal to do. On the issue of insurance as a whole, the Minister mentioned the lack of insurance data and statistics. This is an important point. The lack of data presents difficulties from a policy analysis and development perspective. It is important that data are gathered in a comprehensive format and presented in a standard format. As mentioned earlier, the Government is supportive of the industry trying to make progress on this point. We are speaking in terms of specific measures, targets and results. This means that whatever recommendations arise from the various reviews in the Department of Finance, we are going to need a whole-of-government approach and the collective wisdom of this House. Once we get beyond this political impasse, I believe we can take many of the ideas that were garnered here this afternoon and make progress on them in the coming months.

Committee on Housing and Homelessness: Appointment of Members

An Ceann Comhairle: In accordance with the Order of the House of Thursday, 14 April, I wish to inform the House that the following Members have been nominated to the special Committee on Housing and Homelessness: Deputy Mary Butler, Deputy Catherine Byrne, Deputy Seán Canney, Deputy Ruth Coppinger, Deputy Barry Cowen, Deputy John Curran, Deputy Bernard J. Durkan, Deputy Kathleen Funchion, Deputy Michael Harty, Deputy Eoin Ó Broin, Deputy Fergus O'Dowd, Deputy Maureen O'Sullivan, Deputy Brendan Ryan and Deputy Mick Wallace.

Dáil Éireann

Written Answers follow Adjournment.

The Dáil adjourned at 6.20 p.m. until 10.30 a.m. on Thursday, 21 April 2016.