



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

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DÁIL ÉIREANN

Déardaoin, 8 Nollaig 2016

Thursday, 8 December 2016

Chuaigh an Ceann Comhairle i gceannas ar 12 p.m.

Paidir.

Prayer.

Leaders' Questions

An Ceann Comhairle: I ask Members to have regard to the times allocated.

Deputy Niall Collins: As we know, the Brexit result is one of the greatest challenges that this country has faced for many decades. The air of uncertainty has already impacted consumer confidence and sentiment and investments across the EU, in particular in the UK and Ireland. There is also an air of uncertainty about how prepared Ireland is for what we are facing. Unfortunately, we are not yet Brexit proof.

The future relationship between Ireland and the UK will depend on the latter's priorities during negotiations and the extent to which the European Commission and other member states can and will accommodate Ireland's specific needs. It is well accepted that Ireland will suffer more from Brexit than any other member state. The German chamber of commerce confirmed this during the week, as did the report published yesterday by the Central Statistics Office.

The UK's importance to Ireland socially and economically is obvious. Last year, our exports to Britain amounted to €15.6 billion, of which beef was worth €1.9 billion. Other exports included medical and pharmaceutical products and food-based products. The agrifood sector across this island is exceptionally worried and is projecting job losses in the first and second quarters of next year. We are told that those jobs will be labour intensive and rurally based in the main.

If the euro climbs to 90p, there will be a drop of at least €700 million in Irish exports and a potential loss of 7,500 jobs, which will affect every region. We do not have to remind the Minister that the agrifood sector employs people in every county across the country. It does not believe that the Government is prepared enough for Brexit. The recent all-island civic dialogue on Brexit, while welcome, must now be backed up by practical initiatives in order to protect jobs.

Industry cannot be left feeling isolated while 18 months of negotiations take place. During the week, the EU negotiator, Mr. Michel Barnier, stated that negotiations would be completed

by the autumn of 2018, so the pressure is on and a hard Brexit without any deal being in place may be the result, given the differences in and hostilities of the positions on all sides.

Employers are requesting that an enterprise stabilisation fund be set up to allow them to tackle the sterling depreciation that has already hit up to 370 jobs in the mushroom industry. Has the Government any response or plan to introduce this? Industry is crying out for assistance that would allow it to innovate, diversify and expand market access in the face of Brexit. For example, it has requested online trading supports and trade finance measures to allow for the fact that Ireland is one of only two EU countries without a state-backed support for export credit.

Has the Government taken any tangible decision on any of these requests? As the UK edges closer to invoking Article 50, what will the Government do to ramp up our preparedness for Brexit?

Minister for Housing, Planning, Community and Local Government (Deputy Simon Coveney): It will not be a surprise to anybody to hear the Government has put a huge priority on managing and navigating our way through what will be a difficult period as we build up to Article 50 being triggered and then the consequences of that afterwards. As the Deputy has pointed out, we have had an all-island civil dialogue already. We have had a North-South Ministerial Council that focused specifically on the issue. The Taoiseach, the Department of Foreign Affairs and Trade and other Ministers are working towards getting a common agreed approach on the island of Ireland towards the outcome that we are looking for, across parties in Northern Ireland and across parties in the Republic.

I know more than most the reliance the Irish agrifood industry has on the British market. We are talking about a €7 billion trade relationship each year. Approximately half of our beef exports and 43% of agrifood exports go to the UK so I certainly do not need reminding of that and neither does the Minister for Agriculture, Food and the Marine, Deputy Michael Creed. That is why we have a special unit within the Department of Agriculture, Food and the Marine, which has already been set up for quite some time now. It has had multiple meetings with its counterparts in Northern Ireland to look at ways in which we can insulate and protect this country from currency changes and the potential consequences of a fallout from Brexit.

Let me make two things very clear. First, Ireland will not allow itself be forced to take sides, either on the British side or on the EU side, because we cannot afford to do either. Ireland needs to remain close with the UK in terms of our political and trade relationships and we will do so. We also need to be a proactive, strong and positive member of the European Union in the context of trying to manage the fallout from Brexit. Second, we will prioritise looking after Irish interests, whether they be Irish citizens in the UK or in Ireland or further afield. We have taken multiple actions to date in order to do that. No country in the European Union is even close to Ireland in terms of the level of priority and preparedness that we already have in place for the negotiations that are on the way.

Deputy Niall Collins: The Minister said in his response that he has taken multiple actions but he did not outline any of them. He mentioned the all-Ireland civic dialogue which took place. I attended that myself. Organisations such as Enterprise Ireland, the IDA, InterTradeIreland, the Centre for Cross Border Studies, the Economic and Social Research Institute, the Irish Congress of Trade Unions, IBEC, ISME and all the industry representatives point to serious job losses in the first half of next year. The Minister did not give us any concrete comfort here

today or any detail of decisions the Government has taken to mitigate that.

Equally, if we look at, for example, the tourism industry how will the millions of people who visit this country from Europe be impacted in terms of border control? What will happen to people transiting from this jurisdiction to the North of Ireland? We hear a lot of rhetoric from the Minister. He said we will be Brexit-proofed and that we will be ready but he did not give any specific, concrete measures. Will the Government put money on the table in terms of enterprise stabilisation funds for industry? Will the Government properly resource the IDA and Enterprise Ireland? The Government has said extra headcount will be provided for those organisations but that has still not followed through. Will the Minister please outline some specifics on the issue?

Deputy Simon Coveney: With respect, it is a little naive to start asking for detail as to how border controls will work before we even have a formal political negotiation between Britain and the European Union under way. Our job is to ensure that there will not be a need for border controls. The political engagement is intensive at senior civil servant level and also at a leadership level within Government Ministries - both here, in Northern Ireland and in London, and that will continue.

In terms of tangible actions that have been taken, in the agrifood sector we have introduced a new low-cost agrifood fund for food companies and farmers that need to finance business growth and need low-cost finance to do that to help deal with the competitiveness challenge that clearly exists since the changes in value in sterling. We are taking practical measures on the ground to help businesses and individuals, through the IDA, Enterprise Ireland and setting up a focus group within the Department of Agriculture, Food and the Marine on Brexit. It made recommendations to the Department of Finance for the recent budget. Subsequently, a series of practical measures were put in place to try to insulate Ireland from the potential fallout from Brexit. We anticipate formal political negotiations beginning towards the end of March.

Deputy Imelda Munster: The public transport system is in a perpetual state of crisis. In the past 12 months alone we have seen Luas and Dublin Bus workers go on strike and a very troubling rail review by the National Transport Authority. Bus Éireann is facing catastrophe. On Tuesday the Minister for Transport, Tourism and Sport told the Government that Bus Éireann was facing insolvency within two years and that because of losses of over €5 million last year and upwards of €6 million this year between six and eight bus routes would be cut. It is believed these bus routes are covered by Expressway services, on which thousands upon thousands of people depend in going about their daily lives. They connect people and communities and are the vital link between rural and urban centres. The Minister knows as well I as do that public transport provision is the most effective way to reduce traffic congestion, link communities and improve local and regional economies. It also has its part to play in protecting the environment. In fact, it is probably the main solution to the myriad transport problems we face. I am sure the Minister will also understand that by, their very nature, public transport services are not always profit making, but it is not about that, nor should it be. The hint is in the words “public transport”; it is about providing a service for the people and the State. The importance of public transport transcends profit. That is what having a public transport network is about. Citizens are justifiably concerned by any plan to cut bus routes or rail services, particularly in rural communities but also across the State. We also need to consider transport workers. Bus Éireann has mooted the potential separation of Expressway services and we all know what that means - it means privatisation. The solution is increasing subvention levels, given that there have been eight years of gross under-funding and under-investment, to ensure we deliver a first-

class public transport system in whatever way we can. Yesterday the Minister for Transport, Tourism and Sport did not give a commitment to support my suggestion that there be engagement with all stakeholders to find a solution to save the public transport network, but it needs to happen if we are sincere about protecting, preserving and enhancing the network. My question is simple but of massive significance to people living in rural and urban communities the length and breadth of the State. Unlike the Minister for Transport, Tourism and Sport yesterday, will the Minister commit to engagement with all stakeholders, including the Department of Transport, Tourism and Sport, the National Transport Authority, Bus Éireann and the unions, to try to find some solution to preserve and protect the public transport network and ensuring this will happen without delay?

Deputy Simon Coveney: It is important to deal with the facts. The subvented part of Bus Éireann's network, the public service obligation, PSO, network, is performing well and will receive additional taxpayers' resources both this year and next year. The issue arises where Bus Éireann is competing with other operators, areas in which the State is prevented from intervening in a way that would be seen to be anti-competitive. We need to identify what the real problems are. The State needs to ensure people have access to an adequate public transport service in areas in which it might not be commercially viable to provide a service, where there are no alternatives and no competitive routes. We are increasing the level of State support in these areas. What are at risk are Bus Éireann services on competitive routes. Yesterday representatives of Bus Éireann attended the Labour Court. Their appearance was on foot of a pay claim lodged by unions. Bus Éireann outlined the very serious financial position it was in. All Members of the House are by now aware of the situation. I am advised that Bus Éireann is losing about €6 million a year. However, the core problem is on the competitive routes on which the State is prohibited from intervening and subsidising services. It is clear that management at Bus Éireann needs to develop plans to address the commercial challenges facing the company. The formulation and progression of these plans are, of course, matters for its management team. People should not cross over, fudge and merge the arguments between the PSO routes that are supported with taxpayers' money, as they should be, and the competitive routes on which Bus Éireann is struggling and losing money.

Deputy Imelda Munster: It is blatantly obvious that by saturating the competitive routes the public transport network will suffer. Particularly on urban routes competitors are coming in and creaming off the most profitable routes and leaving the least profitable ones for the public network. The Minister did not answer my question. I asked him that if the Government was genuinely interested in resolving the issue, would it give its support in the engagement of all stakeholders to find a solution. He did not answer that question and I hope he will. I cannot see why the Government would not encourage all stakeholders, given the crisis in which we find ourselves. If it does not do so, one will have to ask if it is now Government policy to cut off rural Ireland. Is that its policy? Is it its policy to tidy up the public transport network to make it presentable for privatisation? If not, it should have no qualms in committing to supporting engagement with all stakeholders.

Deputy Simon Coveney: With respect, I ask the Deputy to stop trying to fly kites and raise concerns that are not founded in fact.

Deputy Pearse Doherty: They are founded in fact.

Deputy Imelda Munster: They are founded in fact.

Deputy Simon Coveney: Yesterday the Labour Court indicated-----

Deputy Martin Ferris: But-----

Deputy Simon Coveney: The Deputies should listen; they do not like to hear the truth.

Deputy Robert Troy: About which Labour Court ruling are we talking for a start?

Deputy Simon Coveney: Giving easy answers is the usual approach of Sinn Féin. Yesterday the Labour Court indicated-----

Deputy Dessie Ellis: It is 100% Bus Éireann routes.

An Ceann Comhairle: May we have order, please?

Deputy Simon Coveney: Is the Deputy making a statement for the Dáil?

Deputy Dessie Ellis: The Minister will need to cop on.

An Ceann Comhairle: Will the Minister, please, continue?

Deputy Simon Coveney: Yesterday the Labour Court indicated that it would not issue a recommendation on the basis that the company was finalising a restructuring plan to be ready by the end of January. However, the Labour Court also stated it was available to the company and the trade unions in the interim, if required. I hope both sides will engage on a constructive basis to seek to resolve difficult issues. There are difficult issues and I do not belittle them. Irish Rail faces real challenges, as does Bus Éireann. Of course, the Government must be supportive in encouraging the arms of the State and mechanisms within it to try to find solutions. We are legally prevented from engaging in cross-subsidisation which seems to be what the Deputy is suggesting. Let us focus on the areas where we can legally see solutions to real problems, as opposed to trying to fly kites and pretend that certain things can be done when they cannot be.

An Ceann Comhairle: I call Deputy Michael Lowry.

Deputy Pearse Doherty: Does the Government support engagement?

An Ceann Comhairle: May we, please, have order for Deputy Michael Lowry?

Deputy Imelda Munster: The Minister did not answer the question.

An Ceann Comhairle: No; Deputy Michael Lowry is next.

Deputy Pearse Doherty: Does the Government support engagement?

Deputy Martin Ferris: Will the Minister, please, answer the question?

Deputy Michael Lowry: I afford the Minister the opportunity to give his own assessment of progress made in the housing of homeless people and the supply of housing. He will be aware that Focus Ireland recently estimated that 20 families each month were becoming homeless. Owing to the current housing crisis, it is estimated that approximately 40 children every month are losing their homes. This is on top of the 2,500 children and 4,377 adults already officially recorded as homeless in October 2016. Since 2010 it has become apparent that there has been a drastic increase in persons accessing homeless services. This is not just in the cities and towns where it gets attention, it is a problem across the State. For example, in County Tipperary

a total of 25 persons presented as homeless in 2010. That figure has increased dramatically to 426 persons in 2015 and to more than 500 in 2016. Like other parts of the State, County Tipperary is facing a serious housing crisis. The lack of affordable rented accommodation, the lack of social housing, unemployment, unrealistic rent allowance limits, unsustainable mortgage payments and evictions from owner occupied and buy-to-let properties have created a situation where the frequency of individuals and families becoming homeless has accelerated drastically, resulting in homeless services becoming completely overwhelmed.

Many families and individuals are living only one crisis away from homelessness. Homelessness is a problem that affects all areas of our society. Across County Tipperary homelessness is on the increase, especially hidden homelessness, where people are forced to sleep in cars, pitch a tent or sleep on the couches of relatives and friends. My constituency office has seen a notable increase in the number of calls relating to homelessness or from families in fear of homelessness. Many of these people are on the county council housing list. They are being asked to leave their current accommodation due to repossession or they are being asked to leave because a buy-to-let property is getting repossessed by a financial institution or because their landlord has decided to sell the property. These people simply cannot source an affordable alternative and are living in limbo, fearing homelessness.

The introduction of schemes such as the housing assistance payment scheme, HAP, was designed to provide assistance to people currently on the social housing list to rent from the private sector. While the HAP scheme will pay a proportion of a person's rent in private rented accommodation the scheme just is not working. Private rented accommodation is extremely limited in supply. Yesterday I checked the *Daft.ie* website and there were only 70 properties available to privately rent across County Tipperary for people in that situation. Those properties that are available range in price from €480 for a one bedroom apartment in Carrick-On-Suir to more than €900 for a three bedroom family home in Thurles. Yesterday, in Clonmel, there were three such properties available when the council checked. People cannot access the HAP scheme.

Deputy Simon Coveney: There are a lot of comments and questions there. I first want to give a little bit of good news. We have a lot of work still to do to respond comprehensively to the homeless crisis we face in this city and in other parts of the State. Today we have the November figures on homelessness in Dublin and for the first time in a very long time the number of adults and families who are homeless in Dublin has actually reduced, month on month. That is not to say that we do not still have a mountain to climb - we do. We still have far too many people without a home to go to or a bed to sleep in. Yesterday the Taoiseach and I visited a new homeless shelter that will open tomorrow. Three of these will be ready to open tomorrow providing 210 new beds for emergency accommodation in Dublin, to make sure that everybody who needs a bed will get one this winter. When we look at the numbers, we have provided more than 17,000 new social housing solutions this year. This is a record. There will be 2,700 housing solutions put in place for homeless individuals and families this year. That is 500 more than has ever been achieved before. The previous record was last year when the former Minister, Deputy Alan Kelly was very focused on this area.

There is a lot that we are doing. In the budget we increased the budget for housing by 50% for 2017, an increase from some €800 million to nearly €1.3 billion. I believe we have outstripped all of the targets set for 2016 in actually trying to get people in to sustainable homes. With regard to the homeless HAP scheme in Dublin, the target for this year was 550 people. We will have probably hit the figure of 800 solutions there.

I fully accept that homelessness needs to be a big priority in finance and policy direction and we need to take radical decisions if necessary to try to prevent the stream of people and families coming in to homelessness. Next week I will bring to Cabinet a new rental strategy which I hope we will have a chance to debate in the House afterwards. Many of the parties in the House contributed to the consultation process to get this right and I thank them for it.

There is a lot happening but there is still a lot more to do. I want to say to the House very clearly that from my perspective this is my number one priority as Minister. If the State cannot look after people who literally do not have a roof over their heads we have to ask ourselves some very serious questions. This is why in our homeless and housing strategy the first chapter, or pillar, focuses on homelessness and the need for a comprehensive response, whereby Ministers, such as Deputies Zappone, Harris and Varadkar, work in partnership with me to ensure we have a whole-of-Government approach towards not only helping people make the transition from homelessness into a stable home, but also to try to help them get over what are often mental health, addiction or family breakdown issues to ensure a permanent success story for them.

Deputy Michael Lowry: I thank the Minister for his response and I do not doubt his sincerity and genuine commitment to resolving an issue which is at crisis point and has been steadily building over a period of seven to eight years. Local authorities need to be more involved. Some local authorities are performing and operating to the strategy, but others are not delivering. Housing voids, which are those which are vacant and need refurbishment, need to be made available for new tenants but it is simply too slow. The system is too cumbersome and the reaction time of local authorities is too slow.

It does not make sense. We have 3,000 qualified applicants on the housing list in Tipperary. We built four houses in the past two years, and I am told there is a huge backlog in the Department. Responsibility to proceed with the work should be delegated to local authorities. At present we have five different stages. Local authorities must apply to the Department for an appraisal to be carried out on the requirement for housing. They must then go through a design process and a tendering process. It takes years and not months to get it through the Department. It would greatly assist if responsibility was delegated to the local authorities. Let them make their own decisions. Let them apply procurement laws and let the Department assign somebody to do an assessment of them.

Deputy Simon Coveney: I take the point in terms of streamlined decision-making and in some cases it may well still be a barrier. Yesterday, I approved €18 million for 56 houses to be built as part of the redevelopment of O'Devaney Gardens in Dublin. This year we will see 4,240 new units in terms of new builds, acquisitions and voids coming back into the system. Do not forget that last year the number of houses built by local authorities in the entire country was 75. We are dramatically ramping up the capacity of local authorities to deliver on social housing build programmes as well as getting voids back into use.

The Deputy is right to stay in the past the decision-making process between the Department and local authorities was not fast enough. There was an eight stage process. When Deputy Kelly was Minister he changed it to a four stage process. I am streamlining this even further to ensure we send teams of people to local authorities to get sign-off in a matter of days on decisions which in the past may have taken months. The Deputy will see significant changes in urgency and the pace of decision-making between the Department and local authorities if he looks at individual projects and the decision-making around them. If this is not happening and the Deputy knows this and has cases where it is not happening, I need to hear about them.

Deputy Eamon Ryan: May we wish our greatest public servant, TK Whitaker, a happy birthday and honour him? He is a remarkable man. I must ask a follow on question. Where is today's version of Whitaker? Where is the person who will make the same type of leap we need to make? TK Whitaker was involved in Ireland's leap from being a closed country to an open one. What we need to do today is move from being a fossil fuelled country to a sustainable clean and better economic model. We need to do that because we are, as our best scientist, Professor John Sweeney, has said, a "delinquent" State in terms of climate change and that is the only accurate word to use.

Our best regulator, Laura Burke, got it absolutely right last week when she said that when it came to climate change we were all talk and no action. The figures behind that argument are clear. In energy and transport our emissions are going up by 5% per year when they have to go down by that amount. I was at the sustainable nation business conference last month and all the people in this area gave one clear message, that we had everything in place to enable us to be good at this transition. We can create jobs and secure our economic future but all said that what was missing was political leadership. The money and the expertise is there and we have good companies with people ready to do it but nothing is happening.

The current capital plan is woefully inadequate to bring about any change or transition. The Minister responsible for energy spoke on the matter but there is nothing in the annual transition statement. The only plan we have is to burn biomass for power generation which, as anybody in the energy sector knows and Greenpeace has said, is like putting out a fire with gasoline. I have recently been critical of the Minister for Transport, Tourism and Sport, Deputy Shane Ross, for apparently having no interest in his responsibility to switch to a cleaner transport system in the form of public transport, electric vehicles and cycling and walking. Deputy Michael Healy-Rae was right to say yesterday that there is no money for cycling infrastructure in Kerry, which it needs, and nor is there any in Dublin. This is madness because by tackling the climate issue we will get a better transport system. We are facing gridlock and one of the ways out of it is to take action. The Minister for Transport is doing nothing. In agriculture we are trading on an Origin Green banner which we will not be able to use because it is not the reality. We have everything to gain by going green as Teagasc has shown that doing so gives a more profitable agricultural system.

We have no Whitaker and no Lemass. What is stopping the Government from taking real serious action on climate change? Why is it allowing this country to become a delinquent State on this crucial issue of our time?

Deputy Simon Coveney: In January we will publicly launch a plan for what Ireland should look like in 25 years' time, in 2040. We will take a long-term view and the plan will include an ambitious and proactive approach to our responsibilities on climate change. The Deputy spoke of people taking responsibility but there are many people in this House, the Deputy included, who had an opportunity to come in, be part of Government and help to drive this agenda from within as opposed to standing outside asking for things to happen. We have a commitment from Government consistent with the Paris agreement and we will have sectoral plans and commitments that each Minister will have to deliver on, including transport.

I agree with the Deputy that we have not done enough in transport. I was previously Minister for Agriculture, Food and the Marine and we changed the mindset among Irish farmers in terms of their approach towards the environment, because agriculture plays an enormous part in contributing to our emissions. However, a lot of people fail to focus on the fact that, in the past

ten to 20 years, the contribution to emissions from agriculture has reduced, and is continuing to reduce because of the measures that have been taken in a responsible way by farmers and food producers across the country under the Origin Green banner. It is about changing mindsets as well as action and involves much more efficient food production. We will continue on that journey but we will do so in a way that does not undermine the capacity of people to make a living.

Ireland is recognised internationally as a country that is leading in the climate change challenge in respect of agrifood and agriculture and we will continue to do that too. I have had the privilege of speaking on these issues before the world food programme and the World Wildlife Fund because people want to understand how the Origin Green project, designed and implemented in Ireland, can actually be implemented in other countries, particularly in developing countries that have to produce a lot more food for their growing populations. There are major challenges ahead and we need to meet them. We need to factor the challenges presented by climate change into many of the other planned initiatives such as capital programmes in the transport, agriculture and energy sectors. We need to set and meet ambitious targets. We need to move away from coal-powered electricity generation. The Deputy and I had many conversations on the issue during negotiations in advance of setting up the Government. The programme for Government contains strong statements to that effect. While there is much more we need to do regarding our responsibilities as a First World country that must give example and take a leadership position on how we reduce emissions and manage a growing economy in a more climate efficient way, let us not pretend that nothing is happening in this area.

Deputy Eamon Ryan: I would love to have gone into government. My experience of being in government is that when one has leadership and big, bold plans, one can do things and change. We could do this and be really good at it. However, one of the reasons we did not enter government was we sensed there was no ambition among the Government parties.

(Interruptions).

Deputy Eamon Ryan: Excuse me, but the facts bear it out. Emissions are increasing by 5% per annum, when they should be cut by 5%. That is the reality. Let us wake up to the reality, not deny it. This issue does not belong only to the Green Party. Yesterday in the Seanad a Fianna Fáil Member said he did not want a lecture. I do not want to lecture anybody; I want to work with everyone. This issue belongs to every party; it is not a niche issue. We must fundamentally change our entire economic model and do so quickly. They grass is being cut on Leinster Lawn in the middle of December. Today in the Arctic it is 25° Celsius above average. As well as these obvious, urgent reasons, there is an opportunity for the State to engage in a just transition to give us a more stable and secure economy. The rest of the world is moving in this direction, no matter what Donald Trump will do to try to stop it. It is in our economic interests to do this, but it is not happening. Let us be honest and wake up to the reality. Let us have dialogue. I do not want to lecture anybody, but, God Almighty, we cannot ignore the issue. We need a modern day T. K. Whitaker. Unfortunately, the poor man, at the age of 100 years, is probably not going to be able to do it, but somebody needs to do it. We need leadership.

Deputy Simon Coveney: In case I was misunderstood, I accept where the Deputy is coming from and can see how genuine and passionate he is about the issue. We have had many conversations on climate change and what needs to be done beyond what has been planned for. I agree with the vast majority of it. The programme for Government is very clear - it is in black and white - the Government's ambition is not to fudge on the climate change agenda or move away from it. We are committed to having a national dialogue on climate change.

Deputy Eamon Ryan: There is nothing in the programme for Government about it.

Deputy Simon Coveney: It will be part of the dialogue on a national planning framework. All of these matters - how we move around, where we live, how we work, how we heat and power our homes and how we drive our cars - are interlinked. There will be an extra 1 million people living in Ireland. There will probably be 8 million people living on this island between 2050 and 2060 and we need to plan for it now in the context of the challenges with which we will undoubtedly be confronted in emissions management, but the Government is up for it. The Minister, Deputy Denis Naughten, is giving great leadership. We want the Deputy to be part of the dialogue and I hope he will be.

Questions on Proposed Legislation

An Ceann Comhairle: A total of 14 Deputies are offering. Will Members remember that they are to ask questions, not make statements? May we have concise questions and answers, please?

Deputy Niall Collins: The programme for Government contains a commitment to “make available more competitive capital funding to allow Leader groups bid for additional resources for projects that best support rural economic development”. What progress has the Government made to date in meeting this commitment? How many Government Bills will have been passed by the end of the year?

Minister for Housing, Planning, Community and Local Government (Deputy Simon Coveney): I will get the information for which the Deputy asked in the second question. I was very involved in the discussions on the part of the programme for Government that refers to Leader groups. The Government’s view was that overall funding for Leader groups in the last round of funding should be reduced. There is a new structure in place with much more integration with local government in terms of decision making and, as such, we have said to Leader groups that we should get on and spend the money that is available for the Leader programme. We have said the Government will look at the success of that programme with a view to increasing the funding for it over time. For the moment, most of those programmes are only getting up and running in the last number of weeks. Let us spend the money that is there and we can add to that if the schemes are successful.

Deputy Imelda Munster: Will the Minister in his rental strategy address the issue of landbanks held by local authorities for housing? I know from his reply to a parliamentary question that the Minister does not have any data on it, which is quite worrying. It is a grievous error that in the depths of a housing crisis the Department has not collated the landbanks local authorities have zoned for social housing. When will the Minister’s rental strategy be published and when will we have an opportunity to debate it in the Dáil?

Deputy Simon Coveney: On the landbank issue, we have an audit under way not only of local authority lands, but of all State-owned lands whether in semi-State companies, State agencies or, indeed, local authorities. We need to get that full picture. I hope that we will then make decisions to transfer lands between agencies, in particular for some of the new social housing projects. Part of our rental strategy next week, if it is approved by Government, will involve a much more proactive use of publicly-owned landbanks with a view to creating mixed-tenure developments sooner rather than later and to use the leverage local authorities have because of the landbanks they own. Many local authorities have a great deal of land available to them to

do that. In terms of when the rental strategy will be launched, I hope to get approval from the Government next Tuesday. We will publish it immediately after that.

Deputy Brendan Howlin: In the past week, the media have been full of heartwrenching stories about children caught in domestic abuse. The tragedy of the situation is that those children do not now have the protection of law. We are assured that the domestic violence Bill will be published soon. I am sure that the Minister and, certainly, the Minister for Children and Youth Affairs are aware of the campaign by Barnardos calling for badly needed protections for children to be included in the Bill, including safety orders, protections for children from abusers who are not their parents, and so on. Can the Minister assure the House and all of us who have signed the Barnardos petition that those measures will be included and set out when we will see the Bill?

Deputy Simon Coveney: The Bill is next week or the week after.

An Ceann Comhairle: It can only be next week.

Deputy Simon Coveney: Sorry, it is going to Cabinet next week or the week after. In fact, the Cabinet will be sitting on Christmas week, for the information of the House. The Bill will come to Cabinet next Tuesday or Tuesday week.

Deputy Richard Boyd Barrett: In light of the absolutely despicable treatment of workers in Independent newspapers by two of the richest people in the country, Denis O'Brien and Dermot Desmond, and the decision of a profitable company to further boost its financial position by slaughtering the pension entitlements of its workforce and pulling out of a defined-benefit pension scheme, does the Government propose any legislation to prohibit profitable companies from pulling out of defined-benefit pension schemes? It is one thing where the company is making a loss, but these are profitable companies which are just boosting their profits and slaughtering their workers' pension entitlements.

Deputy Simon Coveney: The Minister for Social Protection met recently with the chairperson of the Pensions Authority and has asked the authority to report back to him with an assessment of the current overall position in regard to such schemes. I will certainly refer the Deputy to the Minister on that. He is looking at it. This is a private company and, as such, the Government needs to be wary of raising expectations about what is possible. However, he is certainly taking advice on it.

Deputy Michael Healy-Rae: I refer to the programme for Government with regard to the environment. I am glad the Minister, Deputy Naughten, is in the Chamber. As he may know, some very hard-working people from our tyre industry are protesting outside the Houses today against the proposed levy which would see the Department of Communications, Climate Action and Environment impose a new tax on the motoring public. It would increase the cost of changing tyres on a motor car by €13 per car and hauliers would pay €15 or more per truck tyre.

Surely at a time when we are trying to keep our customers spending their money in the Republic, we do not want people from the midlands and elsewhere buying their tyres in the North. People are working hard, selling and repairing tyres. They live in every parish, town and city in the country. We do not want to see their businesses being closed down.

Deputy Denis Naughten: The hard-working people in the tyre industry are working today. A handful of people are outside the Houses protesting.

Deputy Mattie McGrath: It is more than a handful.

An Ceann Comhairle: Let the Minister respond, please.

Minister for Communications, Climate Action and Environment (Deputy Denis Naughten): Tyres are a major issue for anyone travelling around the country. There are mountains of tyres in Ireland. The current system is not working. Between 25% and 50% of the tyres that are put on cars in this country are unaccounted for. The tyre regulations have a non-compliance rate of 46%. The current system is broken. Consumers are already paying somewhere between €1.75 and €3.50 for every tyre to be recycled, yet that is not happening.

We are introducing a clear and transparent system. The charge will be approximately €2.80 for car tyres. We are introducing a free scheme for agricultural tyres because we do not have a handle on those figures. We are determined to ensure that all of the tyres that are taken off cars in this country are fully recycled.

Deputy Jack Chambers: My question relates to the programme for Government and the recent budget announcement of the welcome extension of medical cards to children in receipt of domiciliary care allowance. A recent parliamentary reply received from the Minister for Health stated that the heads and general scheme of a Bill are being prepared, but we have no timeline for the progression of this. That could prevent children getting the medical cards they deserve. Can the Minister provide a timeline around children in receipt of domiciliary care allowance?

Deputy Simon Coveney: The Government has already given approval to draft the heads of a Bill. I understand the Taoiseach gave a commitment that the Bill would be brought before Cabinet and, subsequently, to the House in the first quarter of next year.

Deputy Anne Rabbitte: I refer to the programme for Government and recent budget announcement regarding rural social schemes. We welcomed the announcement of 500 new places. That was the hand that gave, but the hand that took made sure that there were changes to the terms and conditions. People involved in the schemes could be involved for life, but a person can now only be out for between three and six years. I want to know whether the Government will review this. Teachers and nurses have made claims. We need to treat people equally. The people to whom I refer have been in schemes for 55 or 60 years. Now people will only be allowed out for three years.

Deputy Simon Coveney: I need to check the details of the scheme for the Deputy. My understanding is that the focus of these schemes is to try to help people back into employment. That is why they are of a temporary nature.

Deputy Anne Rabbitte: They are farmers.

Deputy Simon Coveney: I will get the detail for the Deputy and correspond with her.

Deputy Martin Kenny: One element of the programme for Government is to ensure that there is an extension of credit for small and medium enterprises and people starting new businesses, in particular. The European Investment Bank is opening an office in Ireland tomorrow. While the Government and its agencies can access funds from the bank, people who are seeking funds through that source have to do so through mainstream banks. That is a problem.

We all know that people involved in businesses have come through the torrents of the economic crash and may not have a good record when seeking funding from banks, but they may

have a very good idea or business for which they cannot get funding. I want to know whether the Government would be prepared to consider allowing people to use local enterprise offices, LEOs, to apply for funding for new enterprises. People are frozen out of the banks.

Deputy Simon Coveney: The important thing to recognise is that the European Investment Bank is not a retail bank. It operates through other banks or registered financial managers. There are a number of examples of this. For example, it funds social housing through the Housing Finance Agency and it has funded an interesting loan programme linked to the dairy industry through a structure that Glanbia set up. It is also funding small business investment through pillar banks in Ireland. There are models that work. It is important that we use the existing retail banking infrastructure where possible rather than looking at trying to reinvent what can and should be provided through pillar banks.

Deputy John Brassil: With reference to the programme for Government and dealing with the housing crisis, does the Government have any plans to introduce either legislation or guidelines on the provision of bonds for developers to proceed with the building of houses? I am aware of situations where some local authorities are looking for a bond based on the value of the contract. Others are looking for that but are adding a time limit, with some as long as five to seven years. This is making it practically impossible for the developer to get the bond to build the house. This is an issue and, as Deputy Lowry mentioned earlier, creates red tape and difficulty around getting jobs started.

The Minister mentioned an €18 million announcement this morning for 56 houses in O'Devaney Gardens. That equates to €320,000 per unit. The cost of building needs to be reduced and this forms part of that issue.

Deputy Simon Coveney: There are a lot of site works required for the O'Devaney Gardens project so I would not simply divide the money by the number of houses we are building and make deductions from that. It is a much broader project that will probably involve the expenditure of a couple of hundred million euro. There will be some 600 multi-use and mixed-development units, including mixed-tenure units, involving both public and private money.

On the financing of projects, one of the reasons we are changing the planning decision making process for large applications is to get much more certainty into the decision making process, which has a direct impact on the ability to get finance. No bank in Ireland will put any financing into a project unless planning permission has been granted. We are also putting a fund of approximately €200 million together through the Irish Strategic Investment Fund to help developers finance infrastructure on site. Further, the State will probably announce next week where we will spend €200 million of public money on infrastructure to connect sites in order to get them moving. We are doing a lot on the financing side. If there are other innovative things we should be examining in terms of issuing bonds, I am happy to receive the detail on them.

Deputy Robert Troy: We are waiting more than two years for the publication of the new motorised transport scheme and the new wind energy guidelines. Will the Minister update the House on when we might expect publication of both of those?

Deputy Simon Coveney: The Minister for Communications, Climate Action and Environment, Deputy Denis Naughten, and I are working on the wind energy guidelines and may be in a position to bring something to Cabinet next week. If we do, a judgment of the Court of Justice of the European Union now requires that we undertake an environmental impact assessment of

any new guidelines, which will involve some consultation early next year. It will, therefore, be a few months before new guidelines are settled and agreed because we are required to go through a process that had not been anticipated. However, getting a draft agreed that can then be subject to environmental impact assessment is a priority for us.

Deputy Robert Troy: It has the same priority as it had for the last Government.

Deputy Simon Coveney: The Minister of State, Deputy Finian McGrath, is involved in ongoing work on the first issued raised by Deputy Troy. I will try to get detail on it for Deputy Troy.

An Ceann Comhairle: I apologise to the six other Deputies who I did not have time to call.

Estimates for Public Services 2016

Minister for Housing, Planning, Community and Local Government (Deputy Simon Coveney): I move the following Supplementary Estimates:

Vote 20 - Garda Síochána (Supplementary)

That a supplementary sum not exceeding €10,000,000 be granted to defray the charge which will come in course of payment during the year ending on the 31st day of December, 2016, for the salaries and expenses of the Garda Síochána, including pensions, etc.; for the payment of certain witnesses' expenses, and for payment of certain grants.

Vote 22 - Courts Service (Supplementary)

That a supplementary sum not exceeding €2,000,000 be granted to defray the charge which will come in course of payment during the year ending on the 31st day of December, 2016, for the salaries and expenses of the Courts Service, and of the Supreme Court, the Court of Appeal, the High Court, the Special Criminal Court, the Circuit Court and the District Court and of certain other minor services as are not charged to the Central Fund.

Vote 26 - Education and Skills (Supplementary)

That a supplementary sum not exceeding €136,000,000 be granted to defray the charge which will come in course of payment during the year ending on the 31st day of December, 2016, for the salaries and expenses of the Office of the Minister for Education and Skills, for certain services administered by that Office, and for the payments of certain grants.

Vote 28 - Foreign Affairs and Trade (Supplementary Estimate).

That a supplementary sum not exceeding €1,000 be granted to defray the charge which will come in course of payment during the year ending on the 31st day of December, 2016, for the salaries and expenses of the Office of the Minister for Foreign Affairs and Trade, and for certain services administered by that Office, including grants and contributions to International Organisations.

Vote 30 - Agriculture, Food and the Marine (Supplementary)

That a supplementary sum not exceeding €1,000 be granted to defray the charge which will come in course of payment during the year ending on the 31st day of December, 2016, for the salaries and expenses of the Office of the Minister for Agriculture, Food and the

Marine, including certain services administered by that Office, and of the Irish Land Commission and for payment of certain grants, subsidies and sundry grants and for the payment of certain grants under cash-limited schemes and the remediation of Haulbowline Island.

Vote 31 - Transport, Tourism and Sport (Supplementary)

That a supplementary sum not exceeding €96,100,000 be granted to defray the charge which will come in course of payment during the year ending on the 31st day of December, 2016, for the salaries and expenses of the Office of the Minister for Transport, Tourism and Sport, including certain services administered by that Office, for payment of certain grants and certain other services.

Vote 32 - Jobs, Enterprise and Innovation (Supplementary)

That a supplementary sum not exceeding €35,000,000 be granted to defray the charge which will come in course of payment during the year ending on the 31st day of December, 2016, for the salaries and expenses of the Office of the Minister for Jobs, Enterprise and Innovation, including certain services administered by that Office, for the payment of certain subsidies and grants and for the payment of certain grants under cash-limited schemes.

Vote 35 - Army Pensions (Supplementary)

That a supplementary sum not exceeding €11,000,000 be granted to defray the charge which will come in course of payment during the year ending on the 31st day of December, 2016, for retired pay, pensions, compensation, allowances and gratuities payable under sundry statutes to or in respect of members of the Defence Forces and certain other Military Organisations, etc., and for sundry contributions and expenses in connection therewith; for certain extra-statutory children's allowances and other payments and for sundry grants.

Vote 36 - Defence (Supplementary)

That a supplementary sum not exceeding €1,000 be granted to defray the charge which will come in course of payment during the year ending on the 31st day of December, 2016, for the salaries and expenses of the Office of the Minister for Defence, for certain services administered by that Office and for the pay and expenses of the Defence Forces and for payments of certain grants.

Vote 37 - Social Protection (Supplementary)

That a supplementary sum not exceeding €109,000,000 be granted to defray the charge which will come in course of payment during the year ending on the 31st day of December, 2016, for the salaries and expenses of the Office of the Minister for Social Protection, for certain services administered by that Office, for payments to the Social Insurance Fund and for certain grants.

Votes put and agreed to.

Pension Equality and Fairness: Motion (Resumed) [Private Members]

The following motion was moved by Deputy John Brady on Wednesday, 8 December 2016:

That Dáil Éireann:

notes that changes made to the State Pension in recent years have impacted disproportionately on women and have forced retired workers onto jobseeker's payments; calls on the Government to ensure that pension equality for women will be front and centre in the development of a road map for a sustainable Social Insurance Fund and associated pension reform; urges the Government to restore the pension rates and bands to their pre-September 2012 position and to reduce the contributions requirement for State Pension eligibility from 520 to 260 contributions; and

further calls on the Government to reinstate the State Pension (Transition) so that workers can once again have the option of retiring when they reach 65 years of age with the support of a pension.

Debate resumed on amendment No. 1:

To delete all words after "Dáil Éireann" and substitute the following:

"notes that:

— there are many different types of pension; the State Pension (Non-Contributory) which is means-tested and funded from general taxation, the State Pension (Contributory) which is not means-tested and is funded from social insurance, public service pensions, defined benefit and defined contribution pensions which are private trusts set up by employers and private pension arrangements like personal retirement savings accounts; the challenges and issues relating to each of these is different;

— over the past decade successive Governments have increased the basic weekly rate of the State Pension on a cumulative basis, well ahead of inflation;

— a welcome increase in life expectancy brings with it increased pension costs; without raising the State Pension age, pensions will become unaffordable and unsustainable in the future and it will not be possible to maintain their value;

— the changes to rates, bands and minimum contributions introduced for State Pensions (Contributory) were designed to help ensure that the Social Insurance Fund went back into surplus and remains so;

— State Pensions (Contributory) are paid out of the Social Insurance Fund, not general taxation and any increase in the cost of the contributory pensions would have to be paid for by those paying Pay Related Social Insurance (PRSI) contributions - employees and their employers;

— the rate of consistent poverty amongst those over 65 is 2.1 per cent compared to 8 percent for the general population; for neither men nor women over 65 is the rate of consistent poverty over 2.5 per cent; and

— there is no compulsory retirement age in Ireland but individual employment con-

tracts, including many of those employed by the State, may contain a retirement age; more flexible working and pension options need to be developed to give people greater choice, for example such as if they wish to remain in their current employment beyond 65; and

agrees that:

— pensions are a particularly complex area and any change to the rules is likely to result in both winners and losers and have an impact in terms of cost on the exchequer and/or the Social Insurance Fund;

— the impact of any reforms on women and men and other groups need to be carefully considered and analysed before making them; and

— as a result an analysis of the impact of various possible changes will be given to the Oireachtas Joint Committee on Social Protection for its consideration in early 2017.”

-(Minister for Social Protection)

An Ceann Comhairle: I must now deal with a postponed division relating to the motion regarding pension equality and fairness. On Wednesday, 7 December 2016, on the question that the amendment to the motion be agreed to, a division was claimed and in accordance with Standing Order 70(2), that division must be taken now.

Amendment put:

<i>The Dáil divided: Tá, 49; Staon, 4; Níl, 83.</i>		
<i>Tá</i>	<i>Stáon</i>	<i>Níl</i>
<i>Bailey, Maria.</i>	<i>Howlin, Brendan.</i>	<i>Adams, Gerry.</i>
<i>Barrett, Seán.</i>	<i>Kelly, Alan.</i>	<i>Aylward, Bobby.</i>
<i>Brophy, Colm.</i>	<i>O’Sullivan, Jan.</i>	<i>Barry, Mick.</i>
<i>Bruton, Richard.</i>	<i>Ryan, Brendan.</i>	<i>Boyd Barrett, Richard.</i>
<i>Burke, Peter.</i>		<i>Brady, John.</i>
<i>Byrne, Catherine.</i>		<i>Brassil, John.</i>
<i>Canney, Seán.</i>		<i>Breathnach, Declan.</i>
<i>Cannon, Ciarán.</i>		<i>Broughan, Thomas P.</i>
<i>Carey, Joe.</i>		<i>Browne, James.</i>
<i>Corcoran Kennedy, Marcella.</i>		<i>Buckley, Pat.</i>
<i>Coveney, Simon.</i>		<i>Butler, Mary.</i>
<i>Creed, Michael.</i>		<i>Byrne, Thomas.</i>
<i>D’Arcy, Michael.</i>		<i>Calleary, Dara.</i>
<i>Daly, Jim.</i>		<i>Casey, Pat.</i>
<i>Deering, Pat.</i>		<i>Cassells, Shane.</i>
<i>Donohoe, Paschal.</i>		<i>Chambers, Jack.</i>
<i>Durkan, Bernard J.</i>		<i>Chambers, Lisa.</i>
<i>English, Damien.</i>		<i>Collins, Joan.</i>
<i>Farrell, Alan.</i>		<i>Collins, Michael.</i>

<i>Fitzpatrick, Peter.</i>		<i>Collins, Niall.</i>
<i>Flanagan, Charles.</i>		<i>Connolly, Catherine.</i>
<i>Griffin, Brendan.</i>		<i>Coppinger, Ruth.</i>
<i>Halligan, John.</i>		<i>Cowen, Barry.</i>
<i>Harris, Simon.</i>		<i>Crowe, Seán.</i>
<i>Heydon, Martin.</i>		<i>Cullinane, David.</i>
<i>Humphreys, Heather.</i>		<i>Curran, John.</i>
<i>Kehoe, Paul.</i>		<i>Daly, Clare.</i>
<i>Kyne, Seán.</i>		<i>Doherty, Pearse.</i>
<i>Lowry, Michael.</i>		<i>Donnelly, Stephen S.</i>
<i>Madigan, Josepha.</i>		<i>Dooley, Timmy.</i>
<i>McEntee, Helen.</i>		<i>Ellis, Dessie.</i>
<i>McGrath, Finian.</i>		<i>Ferris, Martin.</i>
<i>McHugh, Joe.</i>		<i>Fitzmaurice, Michael.</i>
<i>McLoughlin, Tony.</i>		<i>Fleming, Sean.</i>
<i>Mitchell O'Connor, Mary.</i>		<i>Funchion, Kathleen.</i>
<i>Moran, Kevin Boxer.</i>		<i>Gallagher, Pat The Cope.</i>
<i>Murphy, Eoghan.</i>		<i>Grealish, Noel.</i>
<i>Naughten, Denis.</i>		<i>Harty, Michael.</i>
<i>Neville, Tom.</i>		<i>Haughey, Seán.</i>
<i>Noonan, Michael.</i>		<i>Healy-Rae, Michael.</i>
<i>O'Connell, Kate.</i>		<i>Healy, Seamus.</i>
<i>O'Donovan, Patrick.</i>		<i>Kelleher, Billy.</i>
<i>O'Dowd, Fergus.</i>		<i>Kenny, Gino.</i>
<i>Phelan, John Paul.</i>		<i>Kenny, Martin.</i>
<i>Ring, Michael.</i>		<i>Lahart, John.</i>
<i>Rock, Noel.</i>		<i>Lawless, James.</i>
<i>Ross, Shane.</i>		<i>MacSharry, Marc.</i>
<i>Stanton, David.</i>		<i>McGrath, Mattie.</i>
<i>Zappone, Katherine.</i>		<i>McGrath, Michael.</i>
		<i>McGuinness, John.</i>
		<i>Martin, Catherine.</i>
		<i>Martin, Micheál.</i>
		<i>Mitchell, Denise.</i>
		<i>Moynihan, Aindrias.</i>
		<i>Moynihan, Michael.</i>
		<i>Munster, Imelda.</i>
		<i>Murphy O'Mahony, Margaret.</i>
		<i>Murphy, Catherine.</i>
		<i>Murphy, Eugene.</i>
		<i>Murphy, Paul.</i>
		<i>Nolan, Carol.</i>

		<i>O'Brien, Darragh.</i>
		<i>O'Brien, Jonathan.</i>
		<i>O'Callaghan, Jim.</i>
		<i>O'Dea, Willie.</i>
		<i>O'Reilly, Louise.</i>
		<i>O'Rourke, Frank.</i>
		<i>O'Sullivan, Maureen.</i>
		<i>Ó Broin, Eoin.</i>
		<i>Ó Caoláin, Caoimhghín.</i>
		<i>Ó Cuív, Éamon.</i>
		<i>Ó Laoghaire, Donnchadh.</i>
		<i>Ó Snodaigh, Aengus.</i>
		<i>Pringle, Thomas.</i>
		<i>Quinlivan, Maurice.</i>
		<i>Rabbitte, Anne.</i>
		<i>Ryan, Eamon.</i>
		<i>Scanlon, Eamon.</i>
		<i>Shortall, Róisín.</i>
		<i>Stanley, Brian.</i>
		<i>Tóibín, Peadar.</i>
		<i>Troy, Robert.</i>
		<i>Wallace, Mick.</i>

Tellers: Tá, Deputies Joe Carey and Tony McLoughlin; Níl, Deputies John Brady and Denise Mitchell.

Amendment declared lost.

Deputy Willie O'Dea: I move amendment No. 2:

To delete all words after "Dáil Éireann" and substitute the following:

“notes that older people make a remarkable contribution to Irish society and that this should be recognised with sufficient increases to both the Contributory and Non-Contributory State Pensions;

accepts that too many workers are not in a pension scheme and that pension reform is taking far too long to be introduced and this needs to change in 2017;

acknowledges the €5 increase to the State Pension announced in Budget 2017 and other social welfare allowances and agrees that the State Pension should be further increased over the life time of this Government;

further acknowledges and agrees to fully examine the current eligibility criteria for pension entitlement;

agrees to bring forward legislation to make it illegal for contracts to stipulate that

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retirement at the age of 65 is compulsory in recognition that people are living longer and should be given the option of continuing to work; and

further agrees that there should be equality of treatment between men and women in relation to pensions and corrections should be made where necessary and properly funded.”

Amendment put:

<i>The Dáil divided: Tá, 51; Staon, 46; Níl, 37.</i>		
<i>Tá</i>	<i>Stاون</i>	<i>Níl</i>
<i>Aylward, Bobby.</i>	<i>Bailey, Maria.</i>	<i>Adams, Gerry.</i>
<i>Brassil, John.</i>	<i>Brophy, Colm.</i>	<i>Barry, Mick.</i>
<i>Breathnach, Declan.</i>	<i>Bruton, Richard.</i>	<i>Boyd Barrett, Richard.</i>
<i>Browne, James.</i>	<i>Burke, Peter.</i>	<i>Brady, John.</i>
<i>Butler, Mary.</i>	<i>Byrne, Catherine.</i>	<i>Broughan, Thomas P.</i>
<i>Byrne, Thomas.</i>	<i>Cannon, Ciarán.</i>	<i>Buckley, Pat.</i>
<i>Calleary, Dara.</i>	<i>Carey, Joe.</i>	<i>Collins, Joan.</i>
<i>Casey, Pat.</i>	<i>Corcoran Kennedy, Marcella.</i>	<i>Connolly, Catherine.</i>
<i>Cassells, Shane.</i>	<i>Creed, Michael.</i>	<i>Coppinger, Ruth.</i>
<i>Chambers, Jack.</i>	<i>D'Arcy, Michael.</i>	<i>Crowe, Seán.</i>
<i>Chambers, Lisa.</i>	<i>Daly, Jim.</i>	<i>Cullinane, David.</i>
<i>Collins, Michael.</i>	<i>Deering, Pat.</i>	<i>Daly, Clare.</i>
<i>Collins, Niall.</i>	<i>Donohoe, Paschal.</i>	<i>Doherty, Pearse.</i>
<i>Cowen, Barry.</i>	<i>Durkan, Bernard J.</i>	<i>Ellis, Dessie.</i>
<i>Curran, John.</i>	<i>English, Damien.</i>	<i>Ferris, Martin.</i>
<i>Donnelly, Stephen S.</i>	<i>Farrell, Alan.</i>	<i>Funchion, Kathleen.</i>
<i>Dooley, Timmy.</i>	<i>Fitzgerald, Frances.</i>	<i>Healy, Seamus.</i>
<i>Fitzmaurice, Michael.</i>	<i>Fitzpatrick, Peter.</i>	<i>Kenny, Gino.</i>
<i>Fleming, Sean.</i>	<i>Flanagan, Charles.</i>	<i>Kenny, Martin.</i>
<i>Gallagher, Pat The Cope.</i>	<i>Griffin, Brendan.</i>	<i>Mitchell, Denise.</i>
<i>Grealish, Noel.</i>	<i>Halligan, John.</i>	<i>Munster, Imelda.</i>
<i>Harty, Michael.</i>	<i>Harris, Simon.</i>	<i>Murphy, Catherine.</i>
<i>Haughey, Seán.</i>	<i>Heydon, Martin.</i>	<i>Murphy, Paul.</i>
<i>Howlin, Brendan.</i>	<i>Humphreys, Heather.</i>	<i>Nolan, Carol.</i>
<i>Kelleher, Billy.</i>	<i>Kehoe, Paul.</i>	<i>Ó Broin, Eoin.</i>
<i>Kelly, Alan.</i>	<i>Kyne, Seán.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Lahart, John.</i>	<i>Lowry, Michael.</i>	<i>Ó Laoghaire, Donnchadh.</i>
<i>Lawless, James.</i>	<i>McEntee, Helen.</i>	<i>Ó Snodaigh, Aengus.</i>
<i>MacSharry, Marc.</i>	<i>McGrath, Finian.</i>	<i>O'Brien, Jonathan.</i>
<i>McGrath, Mattie.</i>	<i>McHugh, Joe.</i>	<i>O'Reilly, Louise.</i>
<i>McGrath, Michael.</i>	<i>McLoughlin, Tony.</i>	<i>O'Sullivan, Maureen.</i>
<i>McGuinness, John.</i>	<i>Madigan, Josepha.</i>	<i>Pringle, Thomas.</i>
<i>Martin, Catherine.</i>	<i>Mitchell O'Connor, Mary.</i>	<i>Quinlivan, Maurice.</i>

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<i>Martin, Micheál.</i>	<i>Moran, Kevin Boxer.</i>	<i>Shortall, Róisín.</i>
<i>Moynihan, Aindrias.</i>	<i>Murphy, Eoghan.</i>	<i>Stanley, Brian.</i>
<i>Moynihan, Michael.</i>	<i>Naughten, Denis.</i>	<i>Tóibín, Peadar.</i>
<i>Murphy O'Mahony, Margaret.</i>	<i>Neville, Tom.</i>	<i>Wallace, Mick.</i>
<i>Murphy, Eugene.</i>	<i>O'Connell, Kate.</i>	
<i>Ó Cuív, Éamon.</i>	<i>O'Donovan, Patrick.</i>	
<i>O'Brien, Darragh.</i>	<i>O'Dowd, Fergus.</i>	
<i>O'Callaghan, Jim.</i>	<i>Phelan, John Paul.</i>	
<i>O'Dea, Willie.</i>	<i>Ring, Michael.</i>	
<i>O'Keeffe, Kevin.</i>	<i>Rock, Noel.</i>	
<i>O'Loughlin, Fiona.</i>	<i>Ross, Shane.</i>	
<i>O'Rourke, Frank.</i>	<i>Stanton, David.</i>	
<i>O'Sullivan, Jan.</i>	<i>Zappone, Katherine.</i>	
<i>Rabbitte, Anne.</i>		
<i>Ryan, Brendan.</i>		
<i>Ryan, Eamon.</i>		
<i>Scanlon, Eamon.</i>		
<i>Troy, Robert.</i>		

Tellers: Tá, Deputies Michael Moynihan and John Lahart; Níl, Deputies Denise Mitchell and John Brady.

Amendment declared carried.

Question put: "That the motion, as amended, be agreed to."

<i>The Dáil divided: Tá, 50; Staon, 49; Níl, 38.</i>		
<i>Tá</i>	<i>Staon</i>	<i>Níl</i>
<i>Aylward, Bobby.</i>	<i>Bailey, Maria.</i>	<i>Adams, Gerry.</i>
<i>Brassil, John.</i>	<i>Barrett, Seán.</i>	<i>Barry, Mick.</i>
<i>Breathnach, Declan.</i>	<i>Brophy, Colm.</i>	<i>Boyd Barrett, Richard.</i>
<i>Browne, James.</i>	<i>Bruton, Richard.</i>	<i>Brady, John.</i>
<i>Butler, Mary.</i>	<i>Burke, Peter.</i>	<i>Broughan, Thomas P.</i>
<i>Byrne, Thomas.</i>	<i>Byrne, Catherine.</i>	<i>Buckley, Pat.</i>
<i>Calleary, Dara.</i>	<i>Canney, Seán.</i>	<i>Collins, Joan.</i>
<i>Casey, Pat.</i>	<i>Cannon, Ciarán.</i>	<i>Connolly, Catherine.</i>
<i>Cassells, Shane.</i>	<i>Carey, Joe.</i>	<i>Coppinger, Ruth.</i>
<i>Chambers, Jack.</i>	<i>Corcoran Kennedy, Marcella.</i>	<i>Crowe, Seán.</i>
<i>Chambers, Lisa.</i>	<i>Coveney, Simon.</i>	<i>Cullinane, David.</i>
<i>Collins, Michael.</i>	<i>Creed, Michael.</i>	<i>Daly, Clare.</i>
<i>Collins, Niall.</i>	<i>D'Arcy, Michael.</i>	<i>Doherty, Pearse.</i>

<i>Cowen, Barry.</i>	<i>Daly, Jim.</i>	<i>Ellis, Dessie.</i>
<i>Curran, John.</i>	<i>Deering, Pat.</i>	<i>Ferris, Martin.</i>
<i>Donnelly, Stephen S.</i>	<i>Donohoe, Paschal.</i>	<i>Funchion, Kathleen.</i>
<i>Dooley, Timmy.</i>	<i>Durkan, Bernard J.</i>	<i>Healy, Seamus.</i>
<i>Fitzmaurice, Michael.</i>	<i>English, Damien.</i>	<i>Kenny, Gino.</i>
<i>Fleming, Sean.</i>	<i>Farrell, Alan.</i>	<i>Kenny, Martin.</i>
<i>Gallagher, Pat The Cope.</i>	<i>Fitzpatrick, Peter.</i>	<i>Lowry, Michael.</i>
<i>Haughey, Seán.</i>	<i>Flanagan, Charles.</i>	<i>Mitchell, Denise.</i>
<i>Healy-Rae, Michael.</i>	<i>Grealish, Noel.</i>	<i>Munster, Imelda.</i>
<i>Howlin, Brendan.</i>	<i>Griffin, Brendan.</i>	<i>Murphy, Catherine.</i>
<i>Kelleher, Billy.</i>	<i>Harris, Simon.</i>	<i>Murphy, Paul.</i>
<i>Kelly, Alan.</i>	<i>Harty, Michael.</i>	<i>Nolan, Carol.</i>
<i>Lahart, John.</i>	<i>Heydon, Martin.</i>	<i>Ó Broin, Eoin.</i>
<i>Lawless, James.</i>	<i>Humphreys, Heather.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>McGrath, Mattie.</i>	<i>Kehoe, Paul.</i>	<i>Ó Laoghaire, Donnchadh.</i>
<i>McGrath, Michael.</i>	<i>Kyne, Seán.</i>	<i>Ó Snodaigh, Aengus.</i>
<i>McGuinness, John.</i>	<i>McEntee, Helen.</i>	<i>O'Brien, Jonathan.</i>
<i>MacSharry, Marc.</i>	<i>McGrath, Finian.</i>	<i>O'Reilly, Louise.</i>
<i>Martin, Catherine.</i>	<i>McHugh, Joe.</i>	<i>O'Sullivan, Maureen.</i>
<i>Martin, Micheál.</i>	<i>McLoughlin, Tony.</i>	<i>Pringle, Thomas.</i>
<i>Moynihan, Aindrias.</i>	<i>Madigan, Josepha.</i>	<i>Quinlivan, Maurice.</i>
<i>Moynihan, Michael.</i>	<i>Mitchell O'Connor, Mary.</i>	<i>Shortall, Róisín.</i>
<i>Murphy O'Mahony, Margaret.</i>	<i>Moran, Kevin Boxer.</i>	<i>Stanley, Brian.</i>
<i>Murphy, Eugene.</i>	<i>Murphy, Eoghan.</i>	<i>Tóibín, Peadar.</i>
<i>Ó Cuív, Éamon.</i>	<i>Naughten, Denis.</i>	<i>Wallace, Mick.</i>
<i>O'Brien, Darragh.</i>	<i>Neville, Tom.</i>	
<i>O'Callaghan, Jim.</i>	<i>Noonan, Michael.</i>	
<i>O'Dea, Willie.</i>	<i>O'Connell, Kate.</i>	
<i>O'Keefe, Kevin.</i>	<i>O'Donovan, Patrick.</i>	
<i>O'Loughlin, Fiona.</i>	<i>O'Dowd, Fergus.</i>	
<i>O'Rourke, Frank.</i>	<i>Phelan, John Paul.</i>	
<i>O'Sullivan, Jan.</i>	<i>Ring, Michael.</i>	
<i>Rabbitte, Anne.</i>	<i>Rock, Noel.</i>	
<i>Ryan, Brendan.</i>	<i>Ross, Shane.</i>	
<i>Ryan, Eamon.</i>	<i>Stanton, David.</i>	
<i>Scanlon, Eamon.</i>	<i>Zappone, Katherine.</i>	
<i>Troy, Robert.</i>		

Tellers: Tá, Deputies Michael Moynihan and John Lahart; Níl, Deputies Denise Mitchell and John Brady.

Question declared carried.

**Planning and Development (Housing) and Residential Tenancies Bill 2016 [Seanad]:
Second Stage (Resumed)**

An Ceann Comhairle: I must now deal with a postponed division relating to the Planning and Development (Housing) and Residential Tenancies Bill 2016 taken on Wednesday, 7 December 2016. On the question, “That the Bill be now read a Second Time”, a division was claimed and in accordance with Standing Order 70(2) that division must be taken now.

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

<i>The Dáil divided: Tá, 91; Staon, 0; Níl, 45.</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>Barrett, Seán.</i>		<i>Boyd Barrett, Richard.</i>
<i>Brassil, John.</i>		<i>Brady, John.</i>
<i>Breathnach, Declan.</i>		<i>Broughan, Thomas P.</i>
<i>Brophy, Colm.</i>		<i>Buckley, Pat.</i>
<i>Browne, James.</i>		<i>Collins, Joan.</i>
<i>Bruton, Richard.</i>		<i>Collins, Michael.</i>
<i>Burke, Peter.</i>		<i>Connolly, Catherine.</i>
<i>Butler, Mary.</i>		<i>Coppinger, Ruth.</i>
<i>Byrne, Catherine.</i>		<i>Crowe, Seán.</i>
<i>Byrne, Thomas.</i>		<i>Cullinane, David.</i>
<i>Calleary, Dara.</i>		<i>Daly, Clare.</i>
<i>Canney, Seán.</i>		<i>Doherty, Pearse.</i>
<i>Cannon, Ciarán.</i>		<i>Ellis, Dessie.</i>
<i>Carey, Joe.</i>		<i>Ferris, Martin.</i>
<i>Casey, Pat.</i>		<i>Funchion, Kathleen.</i>
<i>Cassells, Shane.</i>		<i>Healy-Rae, Michael.</i>
<i>Chambers, Jack.</i>		<i>Healy, Seamus.</i>
<i>Chambers, Lisa.</i>		<i>Howlin, Brendan.</i>
<i>Collins, Niall.</i>		<i>Kelly, Alan.</i>
<i>Corcoran Kennedy, Marcella.</i>		<i>Kenny, Martin.</i>
<i>Coveney, Simon.</i>		<i>McGrath, Mattie.</i>
<i>Cowen, Barry.</i>		<i>Martin, Catherine.</i>
<i>Creed, Michael.</i>		<i>Mitchell, Denise.</i>
<i>Curran, John.</i>		<i>Munster, Imelda.</i>
<i>D’Arcy, Michael.</i>		<i>Murphy, Catherine.</i>
<i>Daly, Jim.</i>		<i>Murphy, Paul.</i>
<i>Deering, Pat.</i>		<i>Nolan, Carol.</i>
<i>Donnelly, Stephen S.</i>		<i>Ó Broin, Eoin.</i>
<i>Donohoe, Paschal.</i>		<i>Ó Caoláin, Caoimhghín.</i>
<i>Dooley, Timmy.</i>		<i>Ó Laoghaire, Donnchadh.</i>

<i>Durkan, Bernard J.</i>		<i>Ó Snodaigh, Aengus.</i>
<i>English, Damien.</i>		<i>O'Brien, Jonathan.</i>
<i>Farrell, Alan.</i>		<i>O'Reilly, Louise.</i>
<i>Fitzmaurice, Michael.</i>		<i>O'Sullivan, Jan.</i>
<i>Fitzpatrick, Peter.</i>		<i>O'Sullivan, Maureen.</i>
<i>Flanagan, Charles.</i>		<i>Pringle, Thomas.</i>
<i>Fleming, Sean.</i>		<i>Quinlivan, Maurice.</i>
<i>Gallagher, Pat The Cope.</i>		<i>Ryan, Brendan.</i>
<i>Grealish, Noel.</i>		<i>Ryan, Eamon.</i>
<i>Griffin, Brendan.</i>		<i>Shortall, Róisín.</i>
<i>Harris, Simon.</i>		<i>Stanley, Brian.</i>
<i>Harty, Michael.</i>		<i>Tóibín, Peadar.</i>
<i>Haughey, Seán.</i>		<i>Wallace, Mick.</i>
<i>Heydon, Martin.</i>		
<i>Humphreys, Heather.</i>		
<i>Kehoe, Paul.</i>		
<i>Kelleher, Billy.</i>		
<i>Kyne, Seán.</i>		
<i>Lahart, John.</i>		
<i>Lawless, James.</i>		
<i>Lowry, Michael.</i>		
<i>McEntee, Helen.</i>		
<i>McGrath, Finian.</i>		
<i>McGrath, Michael.</i>		
<i>McGuinness, John.</i>		
<i>McHugh, Joe.</i>		
<i>McLoughlin, Tony.</i>		
<i>MacSharry, Marc.</i>		
<i>Madigan, Josepha.</i>		
<i>Martin, Micheál.</i>		
<i>Mitchell O'Connor, Mary.</i>		
<i>Moran, Kevin Boxer.</i>		
<i>Moynihan, Aindrias.</i>		
<i>Moynihan, Michael.</i>		
<i>Murphy O'Mahony, Margaret.</i>		
<i>Murphy, Eoghan.</i>		
<i>Murphy, Eugene.</i>		
<i>Naughten, Denis.</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'Dea, Willie.</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>Phelan, John Paul.</i>		
<i>Rabbitte, Anne.</i>		
<i>Ring, Michael.</i>		
<i>Rock, Noel.</i>		
<i>Ross, Shane.</i>		
<i>Scanlon, Eamon.</i>		
<i>Stanton, David.</i>		
<i>Troy, Robert.</i>		
<i>Zappone, Katherine.</i>		

Tellers: Tá, Deputies Joe Carey and Tony McLoughlin; Níl, Deputies Seamus Healy and Catherine Murphy.

Question declared carried.

**Planning and Development (Housing) and Residential Tenancies Bill 2016 [Seanad]:
Referral to Select Committee**

Minister for Housing, Planning, Community and Local Government Deputy Simon Coveney: I move:

That the Bill be referred to the Select Committee on Housing, Planning, Community and Local Government pursuant to Standing Orders 84A(3)(a) and 141.

Question put and agreed to.

Climate Action and Low Carbon Development: Statements

Minister for Communications, Climate Action and Environment (Deputy Denis Naughten): The Climate Action and Low Carbon Development Act 2015 provides that an annual transition statement must be presented to both Houses of the Oireachtas not later than 12 months after the passing of the 2015 Act and not later than each subsequent anniversary of such passing. This is the first such statement. In addition to this oral report, I have arranged for a written annual transition statement to be laid in the Oireachtas Library. The written statement includes an overview of climate change mitigation and adaptation policy measures adopted to reduce emissions of greenhouse gases, GHGs, and to adapt to the effects of climate change in order to enable the achievement of the national transition objective. It also contains a record of emissions set out in the most recent inventory prepared by the EPA and a projection of future emissions together with a report on compliance with EU and international obligations. Full de-

tails are set out in the document and in the time available today, I would like to briefly reference some of the key aspects of the statement.

I would also like to acknowledge that the Government has taken the issue of climate change seriously and has acknowledged that it is a global challenge that requires radical and ambitious thinking. I am the first Minister with specific overarching responsibility for climate action and I take this issue very seriously. Some of the commentary we have heard from some Members inside and outside this House on this issue has been disappointing. The fact is that the Programme for a Partnership Government clearly sets out goals in this area. In simple terms, the Government and I, as Minister, are committed to putting in place plans that will ensure a transition to a low-carbon, climate-resilient and environmentally sustainable economy by 2050. This is just 396 months away. It is disappointing that as a Minister who has only been in office for six months, I am lectured by some people about inaction. I am quite happy to have my record over my first six months as Minister compared to that of my predecessors in respect of the action we are taking and will take over the coming weeks in respect of a number of measures.

We all accept that there is incontrovertible evidence that global warming is threatening life on our planet. Observations show that global average temperatures have increased by 0.85° Celsius since 1850. The atmosphere and the ocean have warmed, the amount of snow and ice has diminished and sea levels have risen as the concentrations of GHGs have increased. Changes in Ireland's climate are in line with these global trends and those changes will have diverse and wide-ranging impacts. Winters will become wetter and summers will become drier. We may see milder winter temperatures benefitting certain sections of the community, however, this will be offset by the potential for heatwaves during summer. No one in this House needs to be reminded of the consequences of climate change, which were seen this time last year in the severe flooding we experienced.

Where are we in terms of GHG emissions? The EPA has reported in its most recent inventory that emissions for 2015 are estimated at 59.84 million tonnes carbon dioxide equivalent - some 3.7% higher than the 2014 figure. According to the agency, these figures indicate that Ireland will be in compliance with its 2015 annual limit set under the EU's 2009 Effort Sharing Decision but is on course to exceed the limit in 2016 or 2017. In addition to the most recent GHG emissions data, the annual transition statement must also include a projection of future emissions prepared by the EPA. The EPA estimates published in March 2016 provide an updated assessment of progress towards achieving the emission reduction targets set under the 2009 EU decision for the years from 2013 to 2020. Ireland's 2020 target is to achieve a 20% reduction of non-ETS sector emissions on 2005 levels with annual binding limits set for each year over the period from 2013 to 2020. The March 2016 projections indicate that emissions in 2020 could be in the range of 6% to 11% below 2005 levels, depending on whether additional policies and measures beyond those already in place by the end of 2014 are implemented. This shortfall reflects our constrained investment capacity for over a decade, from 2008 to 2019, due to the economic crisis, including the impact of the troika programme and EU fiscal governance requirements. All of this means that we will not meet our 2020 target which may, in any case, be inappropriate in terms of cost-effectiveness.

Apart from EU obligations, colleagues will recall that the Dáil approved Irish ratification of the Paris agreement last month ahead of about 50% of EU member states. Commitments under the agreement will be undertaken through a range of climate action plans known as nationally determined contributions, NDCs. Ireland will make a technically feasible, cost-effective and fair contribution to this global effort via the NDC tabled by the European Union on behalf of

member states which commits to at least a 40% reduction in EU-wide emissions by 2030, compared with 1990 levels.

As the first Minister for Communications, Climate Action and Environment, I am fully committed to addressing our EU and international obligations and other challenges we face. In so doing I am adopting a consultative approach. I will shortly publish a preliminary consultation document to inform the preparation of Ireland's first national mitigation plan which must be prepared by next June. I will also publish in the coming weeks an initial consultation document on a clean air strategy for Ireland with a view to developing an ambitious plan in line with EU policy which will seek to protect citizens' health and fully recognise the linkages between our energy use and the quality of the air we breathe.

Around the world there is growing evidence that air pollution is damaging our health in different ways. Levels that were considered to be safe in the past are no longer safe. Air pollution has now been implicated in many major concerns of our time, including cancer, asthma, dementia, obesity and cardiovascular disease. One in five children in this country has asthma. They are gasping for breath and we could help them. About 300 lives a year could be saved by extending the ban on smoky coal nationally. The impact of air pollution on mortality is thought to be in the order of four deaths every day, never mind the additional pressure this is putting on the health service and the fact that it is costing the economy about €3,800 every minute.

Since I went into the Department, I have prioritised the clean air strategy, not just because of the impacts of air quality on health but also because of the detrimental impact particularly of black carbon and the impact of emissions on our long-term environmental goals. It is important not only to look at the long-term objectives but also at the issues and challenges we face.

On renewable energy, I intend to publish a final consultation document on the renewable heat incentive scheme and the details of a joint venture between two of our semi-State companies that seeks to optimise the supply and management of a sustainable biomass industry in this country. As Minister, I am trying to support the development of alternative fuels. I have already given an indication of my view on fracking. I supported Deputy Tony McLoughlin's Bill to ban it. The direction I am taking and the decisions I have taken to date are very much focused not just on the here and now but also the long-term objectives in dealing with climate change. While climate policy has been focused primarily on reducing emissions, I am also prioritising the development of a national adaptation framework to ensure we will address the issue of climate resilience. Work is progressing on the first national framework which must be submitted to the Government by December 2017 and also at sectoral level on the development of sectoral adaptation plans, including for the local government sector.

The extent of the challenge presented by climate change and the scale of the transformation required if Ireland is to move to a low-carbon and climate-resilient economy are clearly evident and have been forcefully highlighted by recent EPA publications, to which I have referred. Dealing with the causes and consequences of climate change remains a collective challenge both in Ireland and elsewhere, but I am confident that we are well positioned to meet it.

There are number of other initiatives. In the budget there was a 35% increase in capital investment. I have also included proposals in the clean air strategy to revise motor tax charges to accurately reflect the actual emissions from vehicles, encourage people to take a more responsible attitude to vehicle maintenance, fuel choice and the style of how they drive, thereby driving down emissions in a practical manner.

In the public sector we have a challenging target of reducing energy demand by 33% by 2020. In the coming weeks, with the Minister for Public Expenditure and Reform, Deputy Paschal Donohoe, I will announce a measure whereby any area in the public sector that makes energy savings will be allowed to retain and reinvest these savings in its own services. That is a clear demonstration of the Government's commitment to drive the change to ensure there will be a clear incentive across the public sector to make energy saving changes and reinvest the savings in the development of their own services.

Many annual transition statements will follow in the period to 2050. This is the first such statement to the House. I am the first Minister for Communications, Climate Action and Environment and have not yet been in office for six months. I intend to drive this agenda with the support of colleagues in this House and the Seanad. Rather than criticising what has not been done, it would be far better if people started to work together. Deputies should look at the documents to be published within the next six weeks and give us their input. They should work with us to drive the agenda together and really change the economy not just for the betterment of the environment but also in the interests of economic development, job creation and balanced regional development.

Deputy Timmy Dooley: I very much welcome the opportunity to address the House on behalf of Fianna Fáil on the issue of climate action in the development of a low-carbon economy. Climate change is certainly one of the most important issues of our time. I welcome the opportunity to discuss it and hope we can do so in a calm way. I do not think anybody has it within his or her grasp to take ownership of it, but we must work collectively. My party has been and remains committed to meeting our climate change commitments. It will not achieve success alone; we will only succeed by working together in this House.

We are witnessing around the world some of the grave consequences of a rise in temperatures. Sea levels are rising; the frequency of extreme weather events is increasing and climatic changes are beginning to reshape how communities live. This extends to our island nation which last year experienced some of the most devastating floods in living memory. As sea levels rise and extreme storms become more frequent, the coastline is beginning to erode rapidly. As people living along the coastline will attest, this will have serious consequences for coastal communities. This is not projected to happen in the future; it is happening now. It is also happening in inland communities. The Minister does not need a lecture from me on the devastating impact of flooding in the River Shannon basin and as flood waters make their ways to the sea. Members of the House had the opportunity to see people dealing with the floods at the time and it was a major crisis, but it was only the tip of the iceberg. In that regard, I would be critical of other aspects of government, particularly the Office of Public Works and the Department in that they have been unable to provide an appropriate plan to assist people affected by flooding. We are looking at a different aspect of that matter, on which I will concentrate.

On an international level, I have been saddened, too, by the hypocrisy of certain Members in expressing their sympathy to the victims of extreme weather events such as the catastrophic tsunami in 2004 in the Indian Ocean in which approximately 230,000 people lost their lives while at the same time failing to do anything to reduce and abate the risk of future occurrences. In advance of the 12th anniversary of this tragedy, and as another tragic climate-related event has taken the lives of 100 people in the same region, we should be reminded of the urgency for us to act quickly to address the inevitable impacts of temperature increases and to minimise the gravity of future impacts. That said, our message also has to be a positive one. We cannot succumb to the notion that mitigating climate change will be a sheer burden on our economy.

Instead, we must focus on the opportunities for Ireland to achieve positive outcomes in meeting our reduction targets. This will require a mind shift in our developing economy. The burden to assist in making that change falls to the Minister, to some extent. It will require swift and decisive action on the part of elected representatives, particularly those in government, and across Departments. Ireland must identify the strategies and timelines that will be needed to achieve our targets and work toward putting these into place. Our 2020 and 2030 targets present very significant challenges and they simply cannot be met without considerable forward thinking and prudent planning. I am proud to say that this is an area in which Fianna Fáil has a strong record. We had a particularly strong record when we were last in government with the Green Party. I certainly do not intend to suggest that it was all as a result of Fianna Fáil's making. Our relationship with the Green Party worked exceptionally well with the guidance of Deputy Eamon Ryan and others. It may have brought to some of our people a deeper and better understanding of what was required. That has been a valuable experience for us and I hope that in my time here, in the role I currently have, it will assist me and guide me in what we support and how we intend to pursue policies. Fianna Fáil previously published the Climate Change Response Bill 2010 on 23 December of that year. It passed First Stage in the Seanad before the Dáil was dissolved in 2011. Fianna Fáil absolutely recognises that we have to play a very important role in ensuring Ireland's swift transition to a low-carbon economy. By contrast, I make the charge that government - now and previously - has repeatedly shirked its commitments to emissions reduction and renewable power generation. Fine Gael and the Labour Party's Climate Action and Low Carbon Development Act 2015 in the last Dáil marked a serious retreat from the 2010 legislation published by the previous Fianna Fáil and Green Party-led Government. Instead of setting clear targets, it had vague aspirations. As a result, Ireland is, in my view and I believe in the view of many, on course for a dramatic failure to meet its 2020 targets that has the potential to incur serious fines. The Minister, Deputy Naughten, and I have had a back and forth discussion here about whether or not that will happen. It is not just about the fines. The fines are a striking recognition that there is a problem but the devastating impact on our environment should, in itself, at least be that which has the capacity to speak to Government and to those of us who have a responsibility to think, plan and act, rather than be guided by fines, but let us see what it takes. Maybe it will be the threat of fines that will eventually force action.

Recent months have seen important developments at international and European levels with regard to decarbonisation and mitigation. Perhaps more significantly, 4 November saw the Paris Agreement come into force. This agreement, which builds on the United Nations Framework Convention on Climate Change, represents the most significant effort to bring together all nations to work towards a common cause of climate change mitigation and adaptation. Under this agreement, Ireland will be working toward the EU's collective goal of reducing EU emissions by 40% relative to 2005 levels. Overall, Ireland will have to reduce greenhouse gas emissions to 30% below 2005 levels by 2030. Under the new EU framework for a transition to low-carbon emissions, Ireland can offset its carbon emissions by using managed cropland, grassland and forest to generate carbon credits at a rate that is equivalent to approximately 2.8 megatonnes per annum. This is a welcome development and recognises Ireland's status as a developed nation whose economy is relatively reliant on agriculture. Fianna Fáil embraces this flexibility and we very much hope that it will be used to its full potential to aid Ireland's progress toward our 2030 targets. Unfortunately, the Government has shown little initiative in this regard. For example, new forests planted since 1990 now absorb 18% of Irish agriculture's annual greenhouse gas emissions, making afforestation an incredibly effective means to increase our carbon sequestration capacity. As it stands, however, only 11% of Irish territory is covered by forests, as the Minister knows. This is compared to a 33% EU average. The Government's

current plan to sustain tree planting rates of 6,000 ha per annum would see an annual sequestration of approximately 1.7 megatonnes per annum. This is just 60% of Ireland's allowance under the new 2030 framework. I understand that some counties are resisting the planting of managed forests where it is believed that afforestation would ultimately render vast tracts of their areas as non-useable or non-liveable, but we have a responsibility to take on that issue and put in place the kind of incentives that would see a greater take up of afforestation to meet our commitments and address the overall issue. It falls to all Members to better explain that and not be running with the hare and chasing with the hound, which too many people in politics do. It is a ruse of the Opposition to say, "I am not going to follow that and I am going to tell people what they want to hear". If tough decisions have to be taken the Minister will get support from this side of the House. He, however, has to lead as a Government Minister. Ireland should take decisive steps in order to increase the amount of forest coverage. Returns from forestry are strongly competitive compared with many other farm enterprises. We have seen the fluctuation in beef and milk prices over the past two years. Potential forestry returns, along with positive interactions with key farm schemes, have the potential to enhance financial fitness on the farm. To support the continued development of forestry Fianna Fáil proposes the retention of the tax-free status of forestry income and suggests that it be spread over a number of years. In addition to this, development of a biomass and bio-diesel market and accompanying supply chain should also play a key role in Ireland's low-carbon development. Increasing our capacity for carbon sequestration and renewable energy generation will deliver positive results for Ireland. Of course, ensuring low-carbon development is about more than just sequestration. We must be proactive in finding new and more carbon efficient means of driving our economy and fuelling our growth. This will involve a considerable increase in our capacity for renewable energy generation, an area for which there are also specific EU targets. In 2015, 25.3% of our electricity came from renewable sources and 9.1% of our overall energy requirements were met using renewable sources, meaning that we are just over halfway towards attaining our 2020 targets. We have come a long way towards increasing our renewable energy capacity but we have much more to do in order to meet our 2020 targets. While progress has been made in some areas, such as agriculture, almost no progress has been made in other areas since 2011, notably home heating and transport. We really have issues there. Between 2014 and 2015, we have observed a decline in the amount of renewable energy being used for home heating. This clearly needs to be addressed. In the short term, the lowest cost way to cut emissions from home heating would be to continue the shift away from oil heating and towards natural gas. We believe that the use of natural gas for home heating should be encouraged by supporting the roll out of the network.

I ask the Minister to make a real effort to put a plan in place that gets us in line with the targets that have been set, not just meeting the targets for the sake of eliminating the potential for fines, for doing what is right by the environment and ensuring we have an economy that works in tandem with our environment.

Deputy Brian Stanley: I welcome the opportunity to address the House on the annual transition statement. I welcome the statement from the Minister today. Sinn Féin has been consistently concerned about the inadequate response and approach taken to date by the Government towards tackling climate change. We welcome the Minister's delivery of the annual transition statement as provided for in the Climate Action and Low Carbon Development Act 2015, which Sinn Féin supported.

Sinn Féin has, however, stated in the past that successive environment Ministers have failed to follow up statements and plans with tangible delivery. We hope that the Minister, Deputy

Naughten, will break this cycle and we will support those efforts. We have seen in the past how the Government has made numerous platitudes to tackle climate change but when it comes to action we fall short. Ireland is certain to miss its 2020 target of 16% total consumption of energy from renewables. The electric transport plan devised by the Fianna Fáil-Green Party Government in 2008 has only achieved a fraction of 1% of its target for electric vehicles on our roads, which is disappointing.

2 o'clock

As the Minister has already pointed out, the biggest factor in reducing emissions in Ireland over the past decade was the economic crash rather than any environmental initiatives taken. If we look at the targets, Ireland is already expected to miss its 2020 target to reduce carbon emissions by 20% and the EPA report outlines this. Emissions in 2015, as the Minister outlined in the Seanad yesterday, were 3.7% higher than in 2014, indicating the economic state of the country rather than any great plan we have is dictating our carbon footprint. The target was part of an overall commitment by the EU to reduce greenhouse gas emissions by 20% compared to 1990 levels by the end of the decade.

Ireland still relies heavily on fossil fuel for its energy supply, with 85% of total supply being imported. If we are to tackle climate change we must start producing more of our own energy from renewable sources. I agree with the Minister that we cannot go backwards. We are here now and we must move forward. The Minister recognises this and Sinn Féin wants to take this approach. A key weakness to date has been the failure by the Government to diversify more generation of electricity from renewable sources. There is scope to encourage development of further solar, hydro, wave, tidal and biomass renewable energy. It has been limited to date, from the point of view that it has been very much about wind. The approach so far has been an overreliance on large scale wind turbines. Many of these were originally targeted at the export sector, and many of the turbines have been located in midland counties such as Laois, Offaly and Kildare. Because of topography and the flat landscape these turbines must be an enormous height. I was in a coastal county at the weekend, where the turbines are much smaller and get a better bang for buck. This has created a huge resistance in midland communities, who had to resist these massive developments by large companies in the absence of any guidelines or regulations, which the Government has failed to put in place. There were supposed to be moves on these in the first six months, and I again appeal to the Minister to do so.

For our part, I tabled two Bills over the past three years to regulate the wind farm industry. I appeal to the Minister to look at these Bills. He may agree with some parts of them or none of them, but I ask him to at least look at them and see whether there are parts he can use. We want to get a solution to this. We would say regulations and the Minister would say statutory guidelines, but let us not get into this too much. The main thing is that we put in place a planning framework. There is nothing there at present. We know what can happen if we do not have planning frameworks in place and we saw it in the past. Let us move forward quickly on this.

Sinn Féin recognises wind has a part to play in our future energy needs, but it must be part of a diverse range of renewable energy developments which must meet the needs of local communities and guarantee energy security. This is why it is disappointing to hear the Minister's recent statements that there will not be energy feed in tariffs for solar energy development.

Deputy Denis Naughten: That is not true.

Deputy Brian Stanley: I ask the Minister to look at this again.

The Minister cited the expense of subsidising solar power. We recognise technology is advancing, but we ask the Minister to address this issue. If we are serious about meeting our renewable energy targets we must take brave and radical action.

Sinn Féin believes the best way to develop renewable energy is in conjunction with local communities. We are fortunate to have good strong semi-State companies and we must use them. The Government must provide supports for community energy projects. Templederry community wind farm in Tipperary, which I visited during the summer, is a good example. I met people in the local community. It is an excellent initiative and they are to be commended for it. The Government and Opposition parties need to encourage more of this. Existing State companies such as Bord na Móna, Coillte and the ESB must also take a serious role in renewable energy production. The future of energy generation will not be a handful of large generation plants but hundreds, or even thousands, of smaller generation projects. Recently I met people from ESB management, and it was a good meeting, but I did not get sense from them they have got this point. Microgeneration is an area the Government has yet to take seriously and get up and running. Microgeneration not only encourages people to become energy conscious, it also aids people to reduce their energy costs. In other countries it is done to great lengths by households.

There is an untapped potential to develop our green economy. This is the big step change we must make. Things cannot continue as they are. We must change how we do things economically. Industry must change and every one of us must change. Projects such as solar installation and energy efficient upgrades of homes have the potential to create thousands of jobs. I welcome the progress made to date on retrofitting homes. I have seen first hand examples of this, and Sinn Féin welcomes it. Hundreds of thousands of households still have no insulation. I made this point to the Minister's two predecessors but I did not make any headway with it. Many houses built in the 2000s and the 1990s which already had insulation have been upgraded, and I am not arguing against this. They were brought up to 2008 and 2009 levels. We have houses built in the 1930s and 1940s which have not been touched, and we need to get to grips with this. We need a proper Government focus. This has the potential to create jobs and save energy, along with microgeneration projects which can also create jobs also and secure our energy supply for the future and reduce energy imports. It is a win win situation.

When a ship or even a small rowing boat is going in the wrong direction, when we try to pull it around it can be difficult to get it going in the opposite direction. I realise this is where we are at. It will not be an easy job and there will be resistance, but if we do not do it we will face economic and environmental catastrophe and financial bills. The potential consequences for Ireland not meeting its targets could be severe. It has been estimated that Ireland could be hit with a bill of up to €610 million for breaching our 2020 renewable energy and emissions targets. We are already expected to miss our targets to reduce carbon emissions by 20%. As I stated, emissions in 2015 were 3.7% higher than those in 2014, indicating the state of the economy has been dictating the changes. The target is part of an overall commitment by the EU to reduce greenhouse gas emissions by 20% of 1990 levels by the end of the decade and we should be ambitious. I know we are trying to catch up, but bold action is needed. Similar inaction on our 2030 targets could result in fines of up to €5 billion. In an economically uncertain post-Brexit future, and the Trump situation, with narrowing fiscal space, this would have devastating consequences for our economic stability.

Sinn Féin strongly believes that addressing climate change has to prioritise citizens' fundamental rights and those of future generations. We already see effects in coastal counties and the River Shannon basin. This affects all of society, including agriculture. It will affect everyone. We have a responsibility and we ask the Minister to put his foot on the pedal, pardon the pun, and drive on this process. We certainly want to be ambitious about this. The only criticism we have to date is that the talk we have done has not been matched by action. We must now change this. It is action time.

Deputy Mick Barry: I will share time with Deputy Boyd Barrett.

At the United Nations climate change conference in Marrakesh in November, public transport was pinpointed as a key important issue for governments to focus on in the fight against climate change. A target was adopted to double the market share of public transport by 2025. How fares Ireland with this target? The State subsidy for the key public transport organisation in the capital city, Dublin Bus, stands at 27% of the company's income. This is less than half what it is in Amsterdam and half what it is in Madrid. At Iarnród Éireann, State funding has been halved in recent years, the company is threatened with insolvency and threats have been made to cut all services bar the DART and services from Dublin to some key cities such as Cork and Limerick. The State refuses to invest the €600 million which the latest report states is now needed. If the Government was seriously concerned about making a real contribution to the fight against climate change it would massively increase the State subvention to Bus Éireann, Iarnród Éireann and Dublin Bus. It would oversee the slashing of fares in all these companies and would give commuters a real alternative, a real incentive to leave the car at home in the driveway. The Government's failure to do this is a sure sign that it is actually part of the problem and not part of the solution to this issue.

On 20 January 2017 the inauguration of Donald Trump as President of the United States of America will take place. This is the man who said only last month, "The concept of global warming was created by and for the Chinese in order to make US manufacturing non-competitive." Trump plans to withdraw the US from the Paris climate change agreement and to virtually dismantle the US Environmental Protection Agency. He has named Myron Ebell to head his environmental protection agency transition team, a man who concedes that there may be some global warming as a result of greenhouse gas pollution but argues that it could be beneficial. Trump's victory was cheered on by big coal, big oil and big gas. The mining equipment corporation, Caterpillar, saw its shares rise on US stock markets by 7% in one day after Trump's victory. It seems to be that the world's No. 1 capitalist politician is a climate change denier and it is becoming increasingly clear that key corporate interests at the very heart of the world of big business stand to gain from Trump's climate change denial policies and that they now have so much invested in pollution that they are effectively wedded to it. Many far-reaching conclusions can and will be drawn from that by millions of ordinary people, not least of which is the fact that, as we go further and further into the 21st century, the fight against climate change and the fight against capitalism will increasingly go hand in hand.

Deputy Richard Boyd Barrett: We get a lot of rhetorical commitment from the Government to dealing with climate change but facts published recently by the EPA on what is actually happening on emissions suggest the rhetoric is not in any way matched by real action and that we are moving in the opposite direction to the one in which we need go if we are to address runaway climate change and prevent all the disastrous consequences, environmental and human, social and economic, that will result if we fail to do so urgently and radically.

The EPA figures are quite stark. Overall emissions are not down but up by 3.7%. Agriculture emissions are up by 1.5% and emissions from the transport sector are up by 4.2%. Emissions from the energy industry sector are up by 5.4% and emissions from the residential sector are up by 5.1%, while emissions from manufacturing combustion are up by 5.2%. Emissions from industrial processes are up by 10.2% and emissions from the waste sector are up by 13%. Under almost every heading, emissions are going up and are going in the wrong direction, making the likelihood of reaching the stated goal of reducing emissions by 80% by 2050 a virtual impossibility.

As Deputy Barry said, the reason the rhetoric does not match reality is the addiction of this Government and the European Union to neoliberal dogma and to a market economic system that only cares about profit. At every hand's turn, that addiction to neoliberal economic policy prevents us from taking the action we need to take to address climate change. Deputy Barry was absolutely right to mention public transport. There is no joined-up thinking on the matter and this week the Minister for Transport, Tourism and Sport, Deputy Ross, spoke about outsourcing Bus Éireann routes. It is already happening in the case of Dublin Bus routes but what will happen if we privatise public transport? The companies will go for the profitable routes. They will close down the public service routes and are already doing it in my area, which seems to be one of the pilot areas for this nonsense of outsourcing and privatising public transport. They are slashing public service routes into areas they do not deem profitable. The No. 7 used to go through Sallynoggin but now it has been slashed by 50%. The No. 59, going up to Killiney village and into Mackintosh Park, has been cut because it is not profitable and we are now going to have the same thing on national bus routes. Profit is trumping the public service obligation of the public transport system and effectively sabotaging any serious attempt to encourage the use of public transport to reduce car use and carbon emissions. If public transport is to play the role it can play in substantially reducing car use and CO₂ emissions, we need massive subsidies to public transport. We need to radically reduce fares and to ramp up investment in public service, not-for-profit transport. Unfortunately, we are moving in the opposite direction.

The same can be said of housing and insulation. In Dún Laoghaire-Rathdown County Council we pushed forward a motion to have passive building standards and we passed it but it was then overridden by the Minister for Housing, Planning, Community and Local Government, who has brought in special legislation to override decisions made by local authorities in order to suit property developers who believe such things make building houses unprofitable. We could have a massive, publicly-led insulation programme with passive building standards but this does not suit the private developers who already have control of the property market and to whom this Government wants to give even more control.

How many times have I spoken about forestry? It is an unbelievable fact that the State forestry company cannot carry out new afforestation because EU state aid rules mean they would not get the grants. The addiction to a private model for forestry and other sectors, and state aid rules against distorting the market, means the State forestry company which was set up to do afforestation cannot do it. It does replanting but not actual afforestation, meaning we have the lowest level of forest cover anywhere in Europe even though we have the best conditions, bar none, for growing trees. We have a completely profit-orientated forestry model with a single species that is not good for biodiversity and is not good for carbon sequestration. It is completely dominated by getting the highest profits from wood in the shortest possible period. Disgracefully, the State company is selling off much of its forest estate, piecemeal, to private investment funds.

I want to give a shout-out to Deputy Pringle's Bill, which calls for the NTMA to divest from fossil fuels. If it is serious about this issue, the Government will use its time to back this Bill so that it gets onto the Statute Book. Let the State lead from the front by divesting from fossil fuels and putting more money into research and public initiatives to develop renewable energy and seriously cut emissions. The Government will probably not do that, however, because it is addicted to profit.

An Leas-Cheann Comhairle: Deputies Pringle and Maureen O'Sullivan are sharing time.

Deputy Thomas Pringle: The Government's revelation of its annual transition strategy has been farcical to say the least. The Minister for Communications, Climate Action and Environment, Deputy Naughten, has called EU emission targets for the State as inappropriate, blaming the financial crisis for Ireland's failure to meet these targets. The financial crisis should have been an opportunity to be creative and to target investment in local energy supply chains, generating income for local markets and rural jobs for towns and villages across Ireland. Instead, the Government over emphasises one type of renewable energy which disproportionately targets and affects rural constituencies, such as my constituency, Donegal.

While I welcome the recent allocation of €7 million to develop a renewable heat initiative and the biomass industry, it will be money making up for decades of lost opportunities. In my nearly six years in here, I have been calling for greater investment in biomass, which could lead to a greater number of sustainable, local, rural jobs for counties such as Donegal while also providing a carbon-neutral, local, sustainable energy market.

I recently met with the Minister of State, Deputy Doyle, alongside the Donegal Woodland Owners Society, DWOSL, where we conveyed the barriers to creating a local sustainable supply chain for wood chip or logs feeding into a biomass market. Donegal's forestry sector can become a major player in the biomass sector through the production of wood for fuel. When timber is exported from Donegal in its raw form as logs, there is little value added to the end product. When wood is processed in Donegal, the supply chain to the consumer is shorter, which minimises transport related emissions. Donegal has huge potential for biomass production, given that approximately 12.2% of the land area is under forest. In 2015, Ireland imported 85% of its total energy requirement at a cost of over €5.7 billion. Donegal accounted for approximately €100 million of this energy bill. Given that only 7.8% of Ireland's total energy usage came from renewable sources, there is huge scope to increase this figure.

We need fairer distribution of resources for the renewable energy sector as part of our efforts to stop climate change. Again, the Minister has avoided the issue of the use of public funds to invest in fossil fuel companies. I thank People Before Profit for mentioning and supporting my Bill. Divestment is the fastest growing international divestment movement, and it is for a reason. To reach our global targets and remain within the temperature limits, we must keep 85% of known fossil fuel supplies in the ground.

We need to fight climate change on a number of fronts, and one such front is through ethical financing. My Bill seeks to have the Ireland Strategic Investment Fund, ISIF, which manages our public moneys for investment, divest its assets of fossil fuel companies over a five year period. Divestment is not just climate-smart, but makes financial sense. The ISIF invests €133 million in fossil fuel companies, but given that fossil fuel commodities are increasingly volatile the ISIF lost €22 million in 2015, and €100 million in total over the past three years, on those investments. Imagine what this money could do if it were invested in renewable energy solu-

tions, such as biomass or solar energy.

It has recently been announced that renewable energy specialist Gaelectric is selling 14 Irish wind farms worth an estimated €400 million to China General Nuclear Power's European energy arm, CGNEE. The Gaelectric chief executive, Mr. Barry Gavin, said the company intended to use the proceeds to pay off debts and support other renewable energy projects. The citizens of Ireland will subsidise those wind farms for the benefit of CGNEE. That does not make any sense. While I agree there can be positive ownership initiatives in place which mean communities benefit and prosper from renewable energy sources, I do not think wind energy will necessarily provide this. We need to radically diversify our renewable energy sector. It has been far too dominated by the production of wind energy, which is heavily subsidised by the State, affecting rural communities disproportionately.

It is a myth that wind energy is a cheap affordable energy source. We need to be realistic about it. In 2013 in the Republic, wind farms received €277 million from citizens. If the plans to install another 2,200 MW of wind generation go ahead, wind energy will cost citizens €660 million per year. Constraints payments, paid to wind farms for excess electricity production, amounted to €108 million in 2013, an average of €67,000 per MW of installed wind. Given the limit on wind power that can be taken by the grid, the more wind farms are built, the more wind power is constrained. This means the percentage could rise to 49%. If the plans to install another 2,200 MW of wind generation go ahead, constraint payments are estimated to reach €320 million per year. Yet, the Government insists on investing more than €4 billion in EirGrid to upgrade the infrastructure to facilitate it. It does not make any sense. The subsidy is paid mainly to wind farm generators, such as CGNEE, which have a contract with a supplier such as Airtricity, Energia or Electric Ireland. If the contract is not lucrative enough, the wind farm receives a top up from the public service obligation levy.

Deputy Maureen O'Sullivan: Since 1992, we have had so many summits, conventions, an environmental treaty, a protocol and an amendment to the protocol, and it all culminated in the Paris Agreement of 2015. What was most significant about the Paris Agreement was that more than 190 countries agreed with it. We know their objectives. On the positive side, it was the first global commitment to tackling climate change. On the negative side, it has not gone far enough to make a real difference. Some of the provisions are not legally binding. There is no provision for sanctions or enforcement and the funding commitments are nowhere near what they should be. The five-year review is too long to wait. It is disappointing, given that all the speeches in Paris were so inspirational and inspiring. We know the expression about talk being cheap. Actions have to match what was said.

The Intergovernmental Panel on Climate Change is telling us if we continue as we are, 50 million more people will be at risk of hunger by 2050. The World Bank tells us that in 15 years a further 100 million people will join those already in extreme poverty. When we look at the carbon dioxide emissions in metric tonnes, we know countries such as Uganda and India are way down and Ireland is way up. The countries which make the smallest contribution to climate change are suffering the most. These countries are the most impacted by our lack of work on climate change, and they are already suffering conflict, hunger and ill health. In the so-called developed world, we pay lip-service to climate change. While we do our bit to recycle and respect the environment and nature, we must acknowledge that it is a matter of life and death for people in the developing world. We in the developed world have the power to change this for them. We played a major role in terms of the sustainable development goals. Many of those goals are dependent on our getting climate change right. There is one goal specifically

on climate action.

Ireland's reputation for development and untied aid is being undermined due to our lack of commitment and work on climate change. While the national policy reads extremely well on this and on what we are supporting, it is aspirational. Although it states that by 2050 we will have a climate resilient and environmentally sustainable economy, the actions do not match it. One of the glaring failures is in the emissions gap. Ireland's emissions are 6.6% above 1990 levels and emissions increased by 3.7% in 2015. How will we close the gap, and where will we be by 2020 and 2030?

The EPA tells us our current plans and policies will not bring Ireland in line with the 2020 targets. Apart from the impact on the environment, it will also cost Ireland financially. Yet this area will create employment. We have already discussed the fact that we must withdraw our investments from the fossil fuel industry, given that it is a major factor in climate change. The ISIF is investing in fossil fuel companies overseas, such as US coal companies, coal powered generation stations in Europe and oil pipelines. In a way, we are subsidising climate change. The call is to be in renewable energy and it is regrettable that we depend on fossil fuels for our energy needs.

The campaign, Stop Climate Chaos, has specific, practical suggestions, many of which are about community-led projects such as solar electricity, investing in ways of harnessing wave technology, ocean energy, rain water harvesting, and optimising the availability of waste for energy production, which I discussed in a parliamentary question here. Although wind energy is controversial, it has worked very well in two places where people generate electricity and get it to the national grid. It is community-owned and came through real community leadership, participation and planning, which is very different from what happened in the Corrib gas field.

A couple of years ago, I was at the Mary Robinson Foundation conference on climate change in Dublin Castle. I listened to farmers and fishermen from all over the world - Africa, the Caribbean and the Pacific - talk about the reality of their lives, their vulnerability and the threats to their way of life and their ability to feed themselves due to policies in the developed world. It is the so-called developed world. Real, sustainable development would not do this in a truly developed world. At the more recent conference of the foundation, Mary Robinson gave good examples of where developing countries such as Fiji, Ethiopia, Costa Rica and Vietnam were doing nearly more than we are. Sometimes, one has to grasp the nettle that is there, not skirt around it. We have been skirting around this issue too much.

Deputy Eamon Ryan: Further to the Green Party contribution at Leaders' Questions earlier, this is not personally against the Minister in any way. He is not responsible for the fact that our emissions went up by 5% in energy and transport back in 2015 and he is not responsible for the way in which, from my perspective, our entire public administrative system fails to see the opportunity or is stuck for whatever reason with a lack of courageous ambition to develop the sort of plan T.K. Whitaker introduced 50 years ago today. It is not about saying the Minister who is six months into office is responsible for it. He is not. At the same time, we must recognise the reality of where we are. We are one of only two European countries not to meet its targets and we are going radically in the wrong direction. There nothing on the horizon which shows me that we have the scale of ambition and understanding to grasp what is an economic opportunity for our country. I note to Deputy Boyd Barrett that it is an opportunity for business as well. While the State has to lead, we can have business involvement. This is going to have to change everything. It will require enterprise as well as citizen engagement in a national climate

dialogue, but it also needs political leadership here.

Deputy Richard Boyd Barrett: It should not rely on enterprise, however.

Deputy Eamon Ryan: No, it is the State. The State has to lead and it must have a significant role. I will set out a few examples of what we could do. The first is an area where I am critical, albeit, again, it is not personal in respect of the Minister. We cannot continue to burn coal, peat or biomass for power generation. It is a fundamental law of physics that it sees two thirds of the energy going up the chimney as waste heat. Of the energy we use in this country, 16% is wasted completely by waste heat going up the chimneys. It makes no sense for us to continue that. It is the highest carbon emitting form of generation we have and no amount of mixing biomass in will make it sustainable. We must stop burning coal and peat for power generation and biomass is not the alternative solution. It has a real role in terms of advanced combined heat and power use and advanced use of heat in areas where one is using 80% to 90% of the energy for that heat service. To go down the route of biomass for power generation, however, either where we use our own, which would take a huge volume of land that would not then be available for our other requirements, or importing it from Florida or Africa as native forest, which is what is happening in the UK, is not a clever long-term approach. That material will be needed in America or Africa and we do not need to ship it all over the world, in particular when there is a clear path open to us in the power generation sector. We have an excess number of very new gas-fired stations which we can combine with our renewable power plants for the next ten or 20 years to give us a low-carbon transition as we switch to a 100% renewable system. We do not need to burn coal and peat. We have to stop it if we are serious about climate change. Mixing biomass with it is not the solution.

The Minister is right to say that in the circumstances we have to look after the 2,000 or so people in the midlands who work in the area. A practical, very realisable project to do that, which would benefit hundreds of thousands of homes, involves the 1 million oil-fired central heating systems in houses around the country. They have to go. This is the sort of change we need to make. We should set a ten-year plan to switch them. As we do so, we should carry out a deep retrofit with exterior insulation not only in the attic but wrapping whole buildings, solar panels on roofs and electric heating systems to balance our variable power supply. It might cost €20,000 to €30,000 a house if we did it at scale, but we would save energy for ever and a day, have much more comfortable houses and employ tens of thousands of Irish craftsmen and women in making it happen. What drives me up the wall is that the money is there for this. The EIB is crying out looking for large scale projects. One cannot go the EIB looking for €5 million or €10 million; one needs to go looking for €2 billion. It is there. Britain is very good at this. It got €3.5 billion from the European Investment Bank last year but it is not going to get a penny next year. We need to go to the EIB with large, billion euro projects on which the State leads using local enterprise, craftspeople and businesspeople. We should go for it and tell the people we are doing so. That will create the jobs.

We need to switch on solar power. We have lost the confidence of the people in the midlands in particular in regard to wind farms. We have to be careful and start again in terms of building up that public trust. Solar power is one area and we have to get it onto roofs so that it is people's power and belongs to them. We could do it in fields but the emphasis should really be on getting the people behind us. We would do that by using the roofs of factories and public buildings as well as houses. We can also go with offshore wind. What is screaming out is the opportunity that is opening up because the price of offshore wind has come down in the same way as the price of solar. Vattenfall, DONG and other companies are now bidding in Danish

and Swedish waters at half the price they were bidding two or three years ago. The Irish Sea is ripe for us to put 2 GW or 3 GW of offshore wind into our system.

We are close to being one of the best in terms of managing integrating variable renewable power. Why not just go for it and become the best? We should then go to every other industry and say, “Come to Ireland because we can guarantee you low carbon and a stable low electricity price into the future”. We are in a position to do it and it is what all those businesses will want. We are not doing it, however, and the market cannot do it by itself. That is what I was saying at the Sustainability Nation conference last month. Everyone in the audience knew this. They all work in the area and they were tearing their hair out because the opportunity was being missed due to lack of ambition within our public and political system.

There are difficult choices here. It is not all easy. To make it work, one needs a grid and we have to build some of it. It is not a popular thing to say and it is not going to be easy to do it but we must build the North-South interconnector. I do not think it can go underground, technically. I have looked at it for ten to 15 years trying to size up how one could do it and I do not see how it is possible. As such, there will be tough decisions and we will have to bring the people along with us through consultation and doing things in a different way. We should also have an ambitious plan. We are late now. We were ahead of the curve on smart-metering ten years ago but we are now behind it. One needs the big projects but it is also about the small, local things. Part of that is putting smart grids in every home. We do not have a plan for it. I read nothing in the document about those big projects. It is not a small project in that we saw the difficulty of getting water meters in and on that basis it may be wondered howl we get smart energy meters installed, but that is what we should be aiming to do.

We can be good at the combination between the digital revolution that is taking place and the clean energy revolution. That is where the jobs are and where economic development lies and it needs State leadership to work. We need it in farming too but we get fixated all the time in the agricultural missions. Let us step back from that a little. I agree that we need to change our forestry model to provide a continuous cover system of forestry, think long term, get better value for the wood, and better manage our land and, yes, we need to cut our emissions in agriculture as Teagasc shows we can, but let that not trip us up. We see this as a difficulty. It is what I call “defeatism”. There are complaints that the targets were too hard. I do not believe they were. What is holding us back sometimes is our own sense that they are too hard and, therefore, we do nothing about them. We are frozen in that defeatist attitude. We need to go for it because those countries and economies that do will benefit economically as well as helping with the environmental crisis we face.

We need to change transport. Let us come out with a really bold project to build a proper charging station network for electric vehicles. I know it is a bet. The Department of Finance and the Department of Public Expenditure hate it and want to see the cost-benefit analysis. Sometimes and in some places, one has to take a leap. We need to take a leap here and electric vehicle technology has advanced to the stage where we can afford to do so. We can develop expertise in terms of running the charging system and processing payments. That is our economic opportunity. We are not too good at making cars, but we can make the digital management systems around this change. It requires the State to step up and say it to the ESB, which I acknowledge is not easy. Instead of taking €500 million out of the ESB, as we have in the last few years, we should put €500 million in and keep the profits in the company to invest in large projects of that type. That is what we need to do to make the leap. It is not negative and it is not a hardship. It involves the State leading.

The environmental movement has learned from the past. The divestment campaign Deputy Thomas Pringle referred to is absolutely right. It recognises that we cannot put all the emphasis on the individual at the end of the pipeline in terms of how he or she consumes. We ask if people have changed their light bulbs and if they are charging their phones in the right way. This has left them feeling guilty and helpless because it is not commensurate with the scale of the problem they see. It is now time for the State to lead to make it easy for people to do the right thing. We must bring our citizens with us through the national climate dialogue so that they have the confidence to share digital information to allow us to do all the smart grid things and manage this dance between variable power and variable supply. It has to start with a mission and the likes of what Whitaker wrote, the “Grey Book”, which radically changed the whole system. The annual transition statement does not provide that. Our climate advisory committee is not providing leadership. It will take the political system to do that. All of us should be involved. This is not something that divides us and does not belong to the right or left or the environmental movement; it has to be shared. Let us make the leap.

An Leas-Cheann Comhairle: That concludes statements on climate change and low carbon development. Before we move on-----

Deputy Denis Naughten: Can I wrap up?

An Leas-Cheann Comhairle: There is no provision for the Minister to conclude.

Deputy Eamon Ryan: There is some time.

An Leas-Cheann Comhairle: There was a second round. There is no provision for the Minister to make a short statement.

Deputy Richard Boyd Barrett: Priority Questions are not due to start until 3.30 p.m.

An Leas-Cheann Comhairle: They will be taken at 3.30 p.m. or earlier.

Deputy Eamon Ryan: We have lots of time.

Deputy Denis Naughten: I am very happy to respond.

Deputy Richard Boyd Barrett: I think we should let the Minister respond.

Deputy Eamon Ryan: It does not make sense.

An Leas-Cheann Comhairle: I will allow the Minister three minutes to respond. I am here to implement what Members have agreed. I am a faithful servant.

Deputy Denis Naughten: I thank everyone who contributed to this debate. I am different from the former Minister, Deputy Eamon Ryan, and many environmentalists in that I believe we need to bring people with us. I do not disagree with anything that Deputy Eamon Ryan said; in fact, I agree wholeheartedly with what he said bar one point.

We have had lecturers for the past ten, 15 or 20 years on climate change, and we are not making the required progress. We have seen the results of what happens when people’s livelihoods are threatened in the United States, who has been elected and the impact on the global agenda which will reverberate across the globe unless we get serious about climate.

Deputy Stanley and I come from the midlands where wind type turbines are an issue. A de-

cision was made that there was only one solution to the provision of renewable energy, namely, large-scale wind farms in the midlands. I want a complete review of our renewable energy policy. Onshore and offshore wind and solar energy are part of that - I never said solar was not - but I would be disingenuous if I told the farmers of this country that I will allow consumers to fund 5 GW of solar energy. To put that in plain English, it means that if one switched off every single power generator in the country, including every single wind turbine, we could turn on all the solar panels and export electricity from the country. I would be irresponsible if I encouraged people to go down the road of the large bubble that is being created. People need to be realistic. Solar energy and offshore wind energy are part of the solution. That is why one of the first things I did as Minister was to sign an international agreement with all the countries in the North Sea on sharing our information and technology and developing that resource.

Not one speaker acknowledged the fact we are one of, I understand, two or three member states in Europe where the climate Minister is also the energy Minister. That is a significant step forward. Previous Ministers had to go cap-in-hand to other Ministers to try to get movement on some of the more challenging areas. I have the necessary tools within my Department to deal with energy.

We are working very well with the Department of Agriculture, Food and the Marine. Not one speaker mentioned one of the most radical steps taken by the previous Government, namely, the beef data genomic scheme. Nowhere else in the world is this happening. When I visited Marrakesh a couple of weeks ago and met my counterparts from New Zealand, Uruguay and Argentina they were all very interested in the project because they view it as a model to move to a greener and more carbon efficient way of producing food.

We need to start bringing people with us. We have the opportunity to do so. We could continue the old approach of bulldozing ahead and telling people we are going to do this, that or the other. That will not work because people will rally against it. Let us start working together towards our objectives. Over the next six weeks a number of consultation documents about the renewable heat incentive scheme and the mitigation plan will be published. People can feed into those and work together to deliver on this agenda.

An Leas-Cheann Comhairle: I welcome the pupils from St. Paul's secondary school in Monasterevin to the Gallery. Tá fáilte rompu. Tá súil agam go mbainfidh siad sult as a dturas go dtí an Dáil.

Topical Issue Matters

An Leas-Cheann Comhairle: I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 29A and the name of the Member in each case: (1) Deputy Fiona O'Loughlin - funding for Lakeview acute mental health unit in Naas Hospital, County Kildare; (2) Deputy Maurice Quinlivan - the delayed opening of the new accident and emergency unit at Limerick University Hospital; (3) Deputy David Cullinane - concerns about capacity at University Hospital Waterford and outsourcing to Cork; (4) Deputies Sean Fleming and Brian Stanley - the HIQA report on the Midland Regional Hospital, Portlaoise; (5) Deputy Michael Collins - the need to provide additional funding for home care packages to free up acute hospital beds; (6) Deputy Clare Daly - the implications of Norwegian Air transatlantic flights from Cork; (7) Deputy Mary Butler - the provision of intensive home care packages for people with dementia; (8) Deputy Mick Wallace - the tax paid in 2015 by Cerberus on its profitable Irish activities; and (9) Deputy Richard Boyd Barrett - the industrial

relations situation in Bus Éireann.

The matters raised by Deputies O'Loughlin, Michael Collins and Clare Daly have been selected for discussion.

Ceisteanna - Questions

Priority Questions

Jobs Protection

1. **Deputy Niall Collins** asked the Minister for Jobs, Enterprise and Innovation her views on whether there are sufficient supports in place to safeguard Irish jobs and exports following the recent Brexit referendum; if she will immediately review Enterprise 2025; and if she will make a statement on the matter. [39274/16]

Deputy Niall Collins: I would like to ask the Minister her views on whether there are sufficient supports in place to safeguard Irish jobs and exports following the recent British referendum. Will she immediately review the Enterprise 2025 policy?

Minister for Jobs, Enterprise and Innovation (Deputy Mary Mitchell O'Connor): My Department and the agencies under its remit provide supports at a policy and operational level to safeguard Irish jobs and exports, including in the context of Brexit. These include: the development of the annual action plan for jobs and regional action plans; contributing to EU policy development advocating for further strengthening of the Single Market, with access to 450 million customers, and bilateral trade agreements between the EU and third countries giving us global reach for our exports; continuing to focus on competitiveness through the National Competitiveness Council which will include a focus on Brexit in its forthcoming challenge report; and on the ground supports by Enterprise Ireland and local enterprise offices, LEOs, to help Irish companies to start, scale and export.

Enterprise Ireland is working with companies to increase exports to the UK and to diversify into other markets focusing on improving company competitiveness and capability. IDA Ireland is actively pursuing opportunities for mobile investment and has just launched a new global marketing campaign, Ireland Right Place Right Time, with additional funding provided by my Department. There is a 10% increase in the capital budget for my Department for 2017 which will help to ensure that the agencies are well-positioned to deal with the challenges that Brexit presents for their clients.

Enterprise 2025 sets a roadmap for longer-term enterprise development. While it remains relevant in terms of its focus on the resilience of the enterprise base, I have asked my officials to review its progress and identify additional actions or changes necessary in light of more recent global challenges, including Brexit.

Deputy Niall Collins: I, along with the Minister and other Members of the House, attended the all-Ireland civic dialogue on Brexit that was held recently. The Minister will also be aware that the Joint Committee on Jobs, Enterprise and Innovation has met 15 groups across five sessions over three meetings. The people who attended those Oireachtas committee meetings were the same as those who attended at the Royal Hospital in Kilmainham, namely, delegates from Enterprise Ireland, IDA Ireland, cross-Border bodies, ICTU and business representative groups,

and they are all saying the same thing. They point to the uncertainty and to the need for market diversification to try to safeguard against the impact of many businesses moving to a sterling cost based area in the new year. With that in mind, did the Department consider the establishment of an export fund to support companies selling into the UK that are seeking to diversify?

The additional staffing complement being afforded to Enterprise Ireland and IDA Ireland has previously been mentioned in this House, but I am told that this has not yet made its way through the system of officialdom. The organisations do not know what headcount they will have. Will the Minister shed some light on the situation?

Deputy Mary Mitchell O'Connor: Deputy Collins is correct. Market diversification is hugely important. I assure him that Enterprise Ireland is working with indigenous companies to ensure they have advice on diversification. Things such as the Comprehensive Economic and Trade Agreement, CETA, are important. We will ensure that we exploit whatever trades we can. This is one of the reasons we currently have trade missions all around the world.

The Deputy also asked about staffing for Enterprise Ireland and IDA Ireland. The Deputy knows an additional €3 million for current expenditure has been granted. This has been brought to Government and we will work our way through it. The chief executives, Julie Sinnamon and Martin Shanahan, both know that they will be getting a good tranche of this money to ensure they can employ extra staff.

Deputy Niall Collins: Will the Minister comment on the 2020 regional jobs targets? She has specified a target of 135,000 new jobs outside the greater Dublin area. How does she intend to achieve the target given the onset of Brexit and the unpreparedness that seems to be everywhere? We did not have a Brexit-proofed budget and we do not have a fund to Brexit-proof our companies. Nor do we have a national hedging policy. Additional staff is being given to Enterprise Ireland and IDA Ireland, but those numbers still have not come through. We are so much in the hands of others and the Government seems to be rudderless. That is what the representative groups are telling us. How will we protect what we have and how will we reach our targets in the meantime? In particular, how will we achieve the 135,000 new jobs outside Dublin? Many of the agencies have told us that the job losses that will initially follow Brexit will be those that are labour intensive, in the manufacturing sector and rural based. There will be no complement of jobs provided in those regions or sectors, although there may be a complement of jobs provided in the financial services and high tech sectors later.

Deputy Mary Mitchell O'Connor: We have detailed a good and targeted response in the Action Plan for Jobs and particularly in the regional action plans for jobs. There are eight regions and I have met with representatives of seven of them. We have gone through the implementation of those plans. They are on target and some of them are ahead of target. Four of them are doing really well and four are average. However, we must work our way through it. I pay tribute to those who are working on these regional action plans. They live and breathe the plans. It is really good that there is a co-ordinated response for the regions. We will deliver 135,000 jobs outside the Dublin area. This year even, 72% of the new jobs announced have been outside the greater Dublin area.

National Planning Framework

2. **Deputy Maurice Quinlivan** asked the Minister for Jobs, Enterprise and Innovation if, in view of the fact that her Department is represented on the national planning framework, NPF, steering committee and participates in discussions at the Cabinet Committee on Infrastructure, Environment and Climate Action, and that she also participates on the econometric and demographics working group, she will provide a detailed report on the issues she has raised and an update on the progress made; her department's plans in terms of the NPF; and if she will make a statement on the matter. [39276/16]

Deputy Maurice Quinlivan: I raised this issue with the Minister previously in the context of Brexit and the regional action plans for jobs and I am still concerned about the apparent lack of co-ordinated thinking from the Minister or her officials on the importance of national spatial planning to job creation, economic development-----

Acting Chairman (Deputy Maria Bailey): Will the Deputy stand a little closer to the microphone?

Deputy Mary Mitchell O'Connor: Perhaps he could speak a little louder.

Acting Chairman (Deputy Maria Bailey): The Minister cannot hear the Deputy.

Deputy Maurice Quinlivan: I will start again. I raised this issue with the Minister before in the context of Brexit and the eight regional action plans and I am still concerned about the apparent lack of co-ordinated thinking from the Minister or her officials on the importance of a national spatial strategy to job creation, economic development and to the efforts to foster enterprise and attract investment. Brexit is a game-changer that has undoubtedly made the need for a national development strategy all the more pressing and urgent. I am concerned that the Minister does not appear to be on top of the issue or to realise how significant it is. Just last week, the British Prime Minister, Theresa May, announced she intends to trigger the start of Britain's exit from the European Union by the end of March of next year. Will the Minister comment?

Deputy Mary Mitchell O'Connor: The Department of Housing, Planning, Community and Local Government is currently preparing the National Planning Framework, NPF, which is a 20 year strategy for the spatial development of Ireland. My Department, at official level, is a member of the interdepartmental national planning framework steering committee and the NPF's econometric and demographics working group. The NPF has also been the subject of discussions at the Cabinet Committee on Infrastructure, Environment and Climate Action, of which I am a member.

My Department is contributing to the development of the NPF, based on Enterprise 2025, in relation to a number of aspects.

We have raised a number of issues, including the strong interdependence between the planning and the creation of an attractive environment and enterprise development; the need for a robust, evidence-based NPF to ensure that Ireland's growth ambitions are achieved; that enterprises and entrepreneurship play a central role in job creation in the regions; the need to identify and address the different advantages and development potential of each region whether in, for example, services, manufacturing or agrifood sectors; and the importance of prioritising infrastructure investment to support economic development and to address gaps in required combi-

nations of roads, water, energy and broadband and skills to boost growth.

In terms of progress, the Department of Housing, Planning, Community and Local Government has indicated that it will take on board the submissions made by this Department as the NPF is progressed.

I understand that an emerging draft NPF will be prepared by early 2017 and that the framework will be submitted to the Oireachtas for approval in due course.

Deputy Maurice Quinlivan: I thank the Minister for her response. I wish to stress the importance of Brexit for the country. I reiterate that the British Prime Minister announced that she will trigger Brexit in March of next year, which is not that far away. She is talking about a red, white and blue Brexit, but everyone, whether it is reports I have read or people I have spoken to, speaks about a black Brexit. That is what this will mean for Ireland. There will no winners in Ireland. There is the potential for a number of small opportunities that we must seize, but we will not seize them if we do not invest in critical infrastructure. I do not believe the Minister is doing enough to fight for these infrastructure projects or to ensure that we make the best of any opportunity that presents itself.

Deputy Mary Mitchell O'Connor: Last month I stressed that we got an extra €50 million in the budget, so we now have €550 million for capital expenditure. We also got an extra €3 million for current expenditure. I assure the Deputy that I am fighting good and hard to ensure that we have a really good response to Brexit. I have mentioned the enterprise agencies already.

3 o'clock

Enterprise Ireland has engaged with all of its 1,400 companies. It has identified which of them are weak and tried to ensure solutions are available to them. For example, it helps companies to diversify and find new markets abroad and has beefed up its trade missions. In addition to this work, IDA Ireland, the local enterprise offices and InterTradeIreland are also doing work in this area. We are fully engaged with the task of ensuring Irish companies secure the best deal. Some of them will find this difficult and many will face challenges but there will be pluses for others. We will try to attract more companies to locate in Ireland. Enterprise Ireland is helping indigenous companies.

Deputy Maurice Quinlivan: I will meet officials from Enterprise Ireland later this afternoon. I reiterate that Brexit will be triggered in three months and the Department must be proactive and take an all-Ireland approach to the issue of regional development in the context of the national spatial strategy. We urgently need investment, infrastructure and capital projects if we are to achieve any semblance of balanced and sustainable regional development. If we are to create jobs, an integrated approach must be taken, one which deals with housing, infrastructure, public services and economic growth in a holistic manner.

I do not recall the Minister ever speaking about youth unemployment, the skills deficit or the need for a national training and apprenticeship scheme. We should consider Brexit as an opportunity to prioritise the growth of indigenous companies and a chance to finally address the issues of uneven development and regional inequality in all their manifestations. For this reason, I ask the Minister to report back on the progress of the regional action plans, on which she undertook previously to provide a report. I also ask her to keep the House updated on the Department's input to the national spatial strategy.

Deputy Mary Mitchell O'Connor: We will publish the 2016 report on the Action Plan for Jobs and regional action plans for jobs. As I indicated, I have travelled around the country and we are hearing good news in respect of the Action Plan for Jobs. The Deputy referred to skills and indicated he had never heard me speak about them. Having often visited Limerick, I believe he will have heard me speak about skills because the issue features prominently in every speech I make.

When we visited China, Japan and the United States I was continually reminded of the importance of skills. I hear the same message on my visits to indigenous companies, including the company I visited today in Cherrywood.

The Department is working with the institutes of technology, universities and skills forum, all of which are represented on the implementation groups for the Action Plan for Jobs. Their voices are being heard. As a former school principal, I assure the Deputy that I know how important education will be in ensuring our children are ready to take up the new jobs coming down the track.

Economic Competitiveness

3. **Deputy Niall Collins** asked the Minister for Jobs, Enterprise and Innovation the steps being taken to reverse the continual fall in Irish business competitiveness levels and making Ireland an attractive location for businesses, particularly Ireland's competitiveness standing with the UK. [39275/16]

Deputy Niall Collins: What steps are being taken to reverse the continual fall in business competitiveness levels and make Ireland an attractive location for businesses, particularly in light of Brexit?

Deputy Mary Mitchell O'Connor: Ireland's competitiveness performance has been central to the recovery in employment. Since 2011, Ireland's competitiveness as measured by a range of international indices has improved. Ireland moved from 16th to seventh in 2016 in the IMD's world competitiveness yearbook, which benchmarks the general environment for business. We moved from 24th to 23rd in the World Economic Forum's global competitiveness report, which benchmarks the factors driving productivity and prosperity in economies. In addition, the World Bank's Doing Business 2017 report, which looks at regulations impacting on small and medium enterprises, shows Ireland is now ranked 18th out of 190 countries.

As Minister for Jobs, Enterprise and Innovation, my focus is on improving Ireland's competitiveness performance. Brexit means we must do more across a wide range of policy areas. We must consolidate Ireland's traditional strengths and address those areas where we lag behind the UK. We are stepping up investment in infrastructure and access to finance is improving. We are reforming our tax system to encourage enterprise and allocating more resources to attract investment and facilitate innovation. I have asked that Enterprise Ireland intensify its work to improve firm level competitiveness through its management capability and development programmes such as LEAN.

I will bring the National Competitiveness Council's competitiveness challenge report to Government shortly. Further actions and reforms, driven by the Action Plan for Jobs, will enable us to improve our competitiveness performance, ultimately helping us to achieve our

objective of sustainable full employment.

Deputy Niall Collins: The attempt by the Government to claim competitive levels are improving is belied by the statistics. The Minister referred to the World Bank's ease of doing business report. That report shows that Ireland's position has disimproved, falling a number of places to 18th position. The Taoiseach has also failed to meet his 2016 target of making Ireland the best small country in the world in which to do business. Budget 2017 did not contain any measures to close the competitiveness deficit we experience *vis-à-vis* the United Kingdom. For example, the UK has a much more capital gains tax rate of 10% which applies to entrepreneurial gains of up to £10 million. This is far in excess of the €1 million ceiling that applies to our higher rate of capital gains tax.

The chief executive of the Irish Exporters Association has said the reduced capital gains tax rate does not bring Ireland onto the racetrack, to use his words, when the UK applies a ceiling of ten times the level of our €1 million threshold. Dublin Chamber of Commerce has said the changes will do little to stem the flow of start-up companies moving from Ireland to the United Kingdom. Our capital gains tax rates, particularly for start-up companies, are a major issue which the Government must address.

The British Prime Minister has indicated that the UK intends to reduce its rate of corporation tax to 15%, which would bring it close to the Irish rate. Against the backdrop of Brexit, Ireland has a competitiveness problem *vis-à-vis* the UK. What does the Government propose to do to reduce costs to business, red tape, the administrative burden, workload and underlying costs to make Irish businesses more competitive?

Deputy Mary Mitchell O'Connor: We are working with the enterprise agencies to ensure Irish companies are competitive. As I indicated in a previous reply, Enterprise Ireland has contacted its 1,400 companies and is offering them advice on how to become leaner.

Competitiveness is very important. The Deputy referred to a number of statistics. I must take on board what the IMD's world competitiveness yearbook says, namely, that Ireland has moved from 16th to seventh in its competitiveness ranking. We cannot be complacent, however.

The Deputy referred to the budget and the €1 million ceiling applied here in respect of capital gains as opposed to £10 million in Britain. The Government will examine this issue in the context of budget 2018. I am aware of the issue, which is raised with me in my discussions with businesses.

Deputy Niall Collins: The business expansion schemes were superseded by the employment and investment incentive scheme, which provides individual investors with a tax relief of up to 30% in respect of investments to a maximum of €150,000. In the UK, an investor in a new start-up business can benefit from tax relief of 30% on investments of up to £1 million. The problem for entrepreneurs is that if they set up a business in this country and it is successful and they want to sell it, they will be penalised by capital gains tax. This disincentive is leading to entrepreneurs choosing to set up a business in the United Kingdom. Similarly, the UK authorities' incentive strategy which allows people to invest in their businesses is ten times better than what we have. This is what entrepreneurs are saying to us, but we do not appear to be taking it on board or doing anything about it. If we want to reach our targets in the Action Plan for Jobs, as I hope we will, why are we not taking these practical measures?

Deputy Mary Mitchell O'Connor: Budget 2017 included capital gains tax measures. It also included measures in regard to the foreign earnings deduction which will help Irish exporters to diversify their markets. We have extended the special assignee relief programme to assist businesses to relocate key staff to Ireland and have increased the earned income tax credit for self-employed taxpayers to encourage entrepreneurship. As the Deputy will be aware, the VAT rate applicable in the tourism and hospitality sector was reduced to 9% to assist the sectors in maintaining competitiveness in the light of recent currency movements. The sum of €150 million has been provided by way of flexible low cost finance to aid Irish farmers, while we have introduced income averaging in the agriculture sector to help in dealing with the expected volatility in demand. A further €119 million is being provided to boost the development of the agri-food sector. To be fair, the Government did respond in budget 2017 to the concerns expressed. We will continue to respond to the concerns being expressed by exporters.

Employment Rights

4. **Deputy Mick Barry** asked the Minister for Jobs, Enterprise and Innovation if her Department has noted the landmark ruling in the United Kingdom courts in favour of taxi drivers (details supplied) represented by the GMB union against the company confirming the drivers' status as employees as opposed to contractors; and if she will make a statement on the matter. [39125/16]

Deputy Mick Barry: Has the Department of Jobs, Enterprise and Innovation noted the landmark ruling in the UK courts in favour of two taxi drivers represented by the GMB trade union against the Uber taxi company which confirmed the drivers' status as employees as opposed to contractors and will the Minister make a statement on the matter?

Deputy Mary Mitchell O'Connor: My Department is aware of the particular case referred to by the Deputy in which a division of the Employment Tribunal in the United Kingdom found that the drivers who did not hold a taxi licence were employees of the enterprise in question. I understand this decision is under appeal to the superior courts in the United Kingdom.

In Ireland there is a mechanism for the determination of the employment status of individuals or groups. Where an issue arises in relation to the employment status of an individual, cases are forwarded to the Revenue Commissioners and/or the scope section of the Department of Social Protection for investigation, either solely by the recipient or jointly with the labour inspectorate of the Workplace Relations Commission, WRC. In most cases it will be clear whether an individual is employed or self-employed. Where there is doubt about the employment status of an individual, the relevant Departments and agencies will have regard to the code of practice for determining employment or self-employment status of individuals which was drawn up and agreed to in 2007 by the relevant Departments with the ICTU and IBEC. An individual who believes he or she is being deprived of employment rights applicable to employees may refer a complaint to the WRC where the matter can be dealt with by way of mediation or adjudication, leading to a decision that will be enforceable through the District Court. WRC inspectors can also be asked to investigate certain breaches. Complaints can be made on a single complaint form available on the WRC's website. The WRC's customer service section also provides information for employers and employees on employment, equality and industrial relations rights and obligations.

Deputy Mick Barry: The Minister's reply sounds wonderful, but it is in sharp contrast with

the reality in Ireland. The reality is that action on the part of the authorities to which the Minister referred is more the exception than the rule. Half of all the people working in construction in the State, often on publicly funded projects, are employed on the basis of bogus self-employment contracts. One particular recruitment firm, CLS Recruitment, is blatantly promoting these arrangements as a means of avoiding payment of the national minimum wage and holiday pay to and social insurance contributions for subcontractors in the construction sector. Earlier this year the fast food company, Deliveroo, sought to change its relationship with its employees in Ireland who were already on low wages. These employees were presented with new contracts, to the effect that they would in the future be self-employed and paid per delivery, the net effect of which was that their pay would be reduced to half the national minimum wage. How does the Minister account for this if the authorities within her remit are being so proactive?

Deputy Mary Mitchell O'Connor: The Deputy should inform those who are suffering such injustices to take up the matter with the labour inspectorate of the Workplace Relations Commission. As I said, details of how they can do this are available on the relevant website. We have increased staff numbers in the WRC such that waiting times in having cases heard have been shortened. The Deputy should encourage those suffering such injustices to report to the WRC which will work through their cases.

Deputy Mick Barry: The new buzz term “the gig economy” is used to describe this phenomenon which is increasingly prevalent. In reality, it is nothing new. It is a revival of 19th century-style piecework. The Minister’s response that those concerned should report these injustices to the labour inspectorate does not take account of what is happening in Deliveroo in which the majority of workers are migrants. Some may even be in the country illegally. Going to the authorities to sort out this blatant exploitation would be very difficult for them. The Uber ruling and the victory of Deliveroo staff in Britain who recently fought for their rights should give encouragement to workers here to organise and fight for direct employment. However, this does not let the Department of Jobs, Enterprise and Innovation off the hook. What proactive steps does the Minister intend to take to combat this form of worker exploitation which is increasingly prevalent?

Deputy Mary Mitchell O'Connor: The Deputy mentioned the gig economy. Uber uses what is termed the gig economy business model. It operates a technology platform to link with customers looking for a taxi. As I said, the ruling in the case mentioned by the Deputy is being appealed to the superior courts in the United Kingdom. In Ireland if individuals working in the gig economy were to take a similar case and achieve a similar outcome, they would be entitled to the national minimum wage and holiday pay. In addition, the company concerned would have to pay taxes on behalf of the individuals working for it. On the gig economy, the only cases of which I am aware are the one taken against Uber in the United Kingdom and another in Spain.

Foreign Direct Investment

5. **Deputy Thomas P. Broughan** asked the Minister for Jobs, Enterprise and Innovation the meetings she and her Department’s agencies have had to prepare for possible adverse impacts of the upcoming Trump Presidency such as the recent cancellation of a €400 million expansion plan by an American company based here (details supplied); and if she will make a statement on the matter. [39184/16]

Deputy Thomas P. Broughan: President-elect Donald Trump has tweeted on a number of occasions that any business that fires its employees in the United States and builds a new factory or plant in another country cannot then expect to be able to sell its products into the United States without retribution or consequences. That is wrong. I note that when the Taoiseach visited Silicon Valley and New York, he met Mayor Bloomberg and representatives of Irish companies and so on. Has the Minister concerns? Has her Department received additional resources? I asked the Minister for Public Expenditure and Reform, Deputy Paschal Donohoe, about this a few weeks ago, particularly in regard to IDA Ireland and Enterprise Ireland, so he might address the challenge that may be presented by the Trump presidency.

Deputy Mary Mitchell O'Connor: My Department and its agencies closely monitor political and commercial developments, both in the United States and elsewhere, and we plan accordingly for changes that could affect the enterprise environment in Ireland. This is a normal and ongoing part of our work in ensuring that our open and export-oriented economy remains internationally competitive.

There has been speculation about the potential impact of the recent American presidential election result on foreign direct investment into Ireland. It is still far too early to make any definitive judgments on this. I do expect, however, that Ireland will continue to attract significant foreign direct investment from the United States. That is because US companies will have a continued need for a global presence in the years ahead, and Ireland is well placed in this regard given its proven track record and continuing access to the European market.

On the cancellation of the investment plan by the company referred to, I understand the company has not linked this to the forthcoming change of Administration in the United States. Instead, it is my understanding that the decision followed the cancellation of a proposed new drug that had been due for manufacture in the Irish plant. While this was regrettable, the company in question continues to employ very significant numbers of staff in several locations here and has made significant investments in its Irish facilities.

Deputy Thomas P. Broughan: Regarding Pfizer's cancellation of its expansion at Grange Castle, which would have been worth €400 million to the economy and an additional 350 permanent jobs, the timing was unfortunate, at the very least. The company attributed this to the cancellation of the new drug for controlling cholesterol. There is concern over this.

The Taoiseach met President-elect Trump's strategic and policy forum of leading US businessmen. He also met Mayor Bloomberg and others. Was the Minister on that trip? Was her Department involved in that regard given the critical nature of what is at stake at this critical juncture?

The Minister gave a very wide-ranging and comprehensive speech to Dublin Chamber of Commerce a few weeks ago. She wants Ireland to be in the top five in terms of competitiveness, yet Dublin Chamber of Commerce's own survey of business confidence shows a decline in the last three quarters, certainly for the Dublin region. Obviously, this is partially related to both Brexit and Mr. Trump's election, and perhaps even to quantitative easing. What additional resources is the Minister getting in respect of IDA Ireland and Enterprise Ireland, in particular, in order to address the challenge we now face?

Deputy Mary Mitchell O'Connor: The Deputy asked whether I was on the trip with the Taoiseach. I was not but I was on a trip in the autumn, approximately six weeks ago. The

Deputy asked whether we are getting additional resources. We are. In the budget, €50 million in additional capital funding was allocated, representing a 10% increase, and €3 million extra in current funding was allocated. That money has been allocated to ensure a good and sustainable response to Brexit.

What was the Deputy's other question?

Deputy Thomas P. Broughan: I asked the Minister about her speech to Dublin Chamber of Commerce. It is very nervous at the moment.

Deputy Mary Mitchell O'Connor: I have heard Mr. Aebhric McGibney say that. I was at another breakfast meeting at which an accountancy firm presented the results of a survey showing the chief executive's response was much more resilient and optimistic. The company was indicating it will take on staff next year.

Taking account of the action plan for jobs and having spoken to Enterprise Ireland and IDA Ireland chief executives, I believe the pipeline is good. It would be unfortunate if we were to talk ourselves into being less optimistic about the sustainability of the country by being overly concerned. Of course we are concerned but we are doing what is right. We are putting money where solutions can be achieved and we are working our way through it. With regard to Enterprise Ireland, work has been done with all the companies on a one-to-one basis.

It is now really important that we work not only sector by sector but also company by company because the companies have different requirements and difficulties.

Deputy Thomas P. Broughan: Many of us were heartened last night to see on BBC's "Newsnight" programme that a London banking company said it is moving to Dublin. It is definitely coming to Dublin with approximately 140 jobs. That seems to be the message. Obviously, there will be swings and roundabouts in the circumstances we face. It was said we are in competition with Paris, Frankfurt, Bratislava, Malta and Madrid in respect of the provision of banking-related facilities in the European Union. Therefore, I wonder whether any special effort is being made in the City of London by the IDA.

Deputy Mary Mitchell O'Connor: I assure the Deputy that there is. We are actively considering the whole banking sector in the United Kingdom and the opportunities that might arise for Ireland.

Foreign Direct Investment

6. **Deputy Bernard J. Durkan** asked the Minister for Jobs, Enterprise and Innovation the extent to which she expects her Department to be in a position to encourage foreign direct investment here; her plans to ensure that Ireland can compete effectively with all others in the international arena in this regard; if she has set specific targets; if she is satisfied with Ireland's ability to compete effectively in this intensely competitive scene in this regard; and if she will make a statement on the matter. [39075/16]

Deputy Bernard J. Durkan: My question is to ascertain the extent to which the Minister will support, favour and pursue foreign direct investment in this country and to which she expects this country to be able to compete in the very competitive market considering the changing climate worldwide, particularly in light of Brexit.

Deputy Mary Mitchell O'Connor: Foreign direct investment, FDI, continues to be a key contributor to Ireland's economic development and growth. This Government's efforts to continue to attract FDI here will be guided by both my Department's policy statement on FDI and IDA Ireland's own five-year strategy for the period 2015 to 2019.

The IDA's strategy details how the agency will broaden its target sectors further and seek new markets. Specific targets have indeed been set as part of that approach, including boosting FDI in regional Ireland by 30% to 40% and creating 80,000 new jobs in the economy across the period of the strategy.

There is no denying that the global FDI market is increasingly competitive and that Ireland must fight hard to win each and every new investment. The challenges and opportunities presented by Brexit mean that we must maintain that focus on securing more FDI. I am confident, however, that our offering to prospective investors remains attractive. Our selling points include our pro-enterprise business environment, competitive economy, first-class workforce and proven track record as a home to global businesses. Our continued membership of the eurozone and European Union is also a significant positive. The Government will continue to work hard to reinforce these strengths while also taking steps to address any areas where we need to improve.

Deputy Bernard J. Durkan: I thank the Minister for her comprehensive reply. May I further inquire as to the extent to which she and her Department are aware of the competition in the market? Who are the main competitors? How have they performed over the past six months by comparison with Ireland? To what extent is Ireland likely to compete with them over the next six months and the next two or three years? Does the Minister envisage Ireland asserting itself to an even greater extent? This will be required in the future given Brexit and changes in global markets.

Deputy Niall Collins: I wish to ask about foreign direct investment, FDI, and jobs. The Minister has visited Limerick and the mid-west a great deal recently for welcome jobs announcements. Like all other Oireachtas Members from Limerick, I was told by e-mail that the Minister would be travelling to the area for another jobs announcement in the morning.

When I speak with people who are involved in education and training and recruitment companies, they tell me that there is a skills deficit in terms of the jobs that have been announced and that we may have difficulty finding the types of people required. Has the Minister any plan to conduct a skills audit of Limerick and the mid-west or the entire country?

Deputy Mary Mitchell O'Connor: Deputy Durkan asked about other countries competing. He should make no mistake about it, they are competing strongly. I have heard of several strong cities, but a number - Paris, Luxembourg, Frankfurt and Singapore - keep cropping up in conversation.

As regards FDI in Limerick, we have seen successes in the jobs announcements. However, that has not been happening in a vacuum. LIT, UL and Mary Immaculate are working closely together. I have not heard from the companies at which we have announced jobs that there is a skills shortage. As with our indigenous businesses, if a company wants to set up in Ireland, it can approach LIT or UL and devise programmes to deliver the necessary skills in the area around Limerick, which includes Clare and other counties. The educational services are responding to the needs of industry. I would love to see more work like that being done across

the country. Thousands of jobs have been announced in the area in the recent past. What is happening in Limerick is working well and is an exemplar of what should be done in the education and skills field.

Deputy Bernard J. Durkan: In light of the competitive zones that we are facing, to what extent has an evaluation been conducted of Ireland's positive points in terms of skills, economic competitiveness, access to world markets, ability to sell, brand recognition and location? The location, location, location idea seems to stand for a great deal. To what extent do the Minister and her Department monitor these aspects with a view to determining how best to compete for investment in markets and promote the Irish cause even more than previously?

Deputy Mary Mitchell O'Connor: Our best response, and one that has had a wonderful track record for the past 60 years, is the IDA. It does a professional job, goes out and wins markets. This has been evident since the recession, but particularly since everyone focused on the 2012 Action Plan for Jobs to bring jobs to Ireland.

We should not be looking to FDI entirely. Enterprise Ireland and the local enterprise offices in each county deliver good and sustainable jobs that allow people to expect to raise families. It would be a weakness on the part of Government policy were we to focus on FDI only.

Regarding the aspects that the Deputy mentioned and that we need to put in place, IDA is feeding into my Department so as to ensure that we attract good companies that provide sustainable jobs in Ireland.

Acting Chairman (Deputy Maria Bailey): The next question is in the name of Deputy Barry, but he is happy to let it be taken as a Written Answer.

Question No. 7 replied to with Written Answers.

Trade Agreements

8. **Deputy Mick Wallace** asked the Minister for Jobs, Enterprise and Innovation her views regarding CETA's potential negative effects on workers' rights, particularly in view of the notable lack of penalties in the text for countries or companies that violate labour laws, as highlighted by Corporate Europe Observatory; and if she will make a statement on the matter. [39116/16]

Deputy Mick Wallace: I have raised this issue previously with the Minister. Where will the safeguards be? As the Minister knows, we do not agree with this agreement. The Government keeps telling us that it likes the agreement, but how will workers' rights be impacted by it?

Deputy Mary Mitchell O'Connor: Under the EU-Canada Comprehensive Economic and Trade Agreement, the EU and Canada have agreed to a common sustainable development framework establishing a set of rules for labour and the environment. CETA commits the EU and Canada to ensuring that their laws and policies provide and encourage high levels of labour protection. It further commits both parties to continue improving such laws and policies.

CETA reinforces the parties' commitments to international labour standards, including the International Labour Organisation, ILO, core labour standards, other labour rights, such as health and safety at work, and the ratification and implementation of the fundamental ILO con-

ventions. CETA also includes a commitment on the part of all governments to ensure that there is no relaxation of labour rights in efforts to promote trade or attract investment.

The agreement provides for the establishment of civil society advisory groups that may submit opinions or make recommendations on labour-related concerns. CETA will further encourage intergovernmental co-operation on labour-related issues and in international forums.

The labour provisions in CETA are enforceable through the dedicated dispute settlement mechanism in chapter 23 of the agreement, including review by the independent panel of experts, and a high degree of transparency and monitoring.

Deputy Mick Wallace: Most independent observers of CETA will point to excessive liberalisation and deregulation and its weakening of the Government's right to regulate in the public interest. Last month, 450 civil society organisations from the EU and Canada published an open letter urging legislators to vote against CETA in February. They were all in agreement that CETA's investment court system, ICS, granted highly enforceable rights to investors but no corresponding obligations. It does not enable citizens, communities or trade unions to bring a claim when a company violates environmental, labour, health, safety or other rules. It risks being incompatible with EU law, as it establishes a parallel legal system, allowing investors to circumvent existing courts. The ICS is discriminatory because it grants rights to foreign investors that are neither available to citizens nor to domestic investors. This being the case, how can the Minister claim that labour rights will be protected?

Deputy Maurice Quinlivan: Is the Minister aware that the European Parliament Committee on Employment and Social Affairs this morning rejected CETA? When can the Dáil expect to have a debate on CETA?

Deputy Mary Mitchell O'Connor: The Taoiseach has said there will be a Dáil debate but at the moment, as the Deputy is aware, there is provisional application. The process for ratification can take a significant period of time. I am anxious for Irish businesses to be able to take advantage of the significant opportunities CETA provides. It is important to clarify that CETA will not force any change in EU standards. It will not affect our public services, labour rights or environmental standards.

In response to what Deputy Wallace said, as I outlined in the first paragraph of the reply, we have agreed to a sustainable development project framework. CETA commits both the EU and Canada to ensure their laws and policies provide and encourage high levels of labour protections. It is established in our industrial relations machinery that if people feel they have been treated badly in their workplace then they can resort to the national protection that is provided, in this country that means the Labour Court and the Workplace Relations Commission. Breaches of labour law are covered under domestic legislation and we stand by that. We will look after our own domestic legislation on labour.

Deputy Mick Wallace: The Minister said we will be able to look after our own labour issues but in fact a corporation coming to a country in Europe will be allowed to use the investment court system to overrule domestic legislation. On 8 November the Minister said she had received advice to the effect that the investment court system model contained in CETA would effectively be a dispute resolution process which would not give rise to constitutional implications. She is probably aware that the Dublin-based senior counsel, Matthias Kelly, said the proposed investment court would "certainly infringe" upon the Constitution in two areas and

possibly three. In his opinion the investment court system would possibly infringe on Article 15.2.1° which vests sole power to make law in the Oireachtas; it would certainly infringe on Article 34.1 which vests the power to dispense justice in the Irish domestic courts; and it would certainly infringe on Article 34.3.2° which makes the High Court and appellate courts above it the sole court in which a law may be questioned. If CETA really were a progressive agreement there would have been a lot more transparency in how it was negotiated.

Deputy Mary Mitchell O'Connor: CETA is a trade agreement and, to be fair, we are talking about Brexit and concerns we have about Irish exporters losing trade to the UK. We want to be able to trade with Canada. We already have a good export trade with Canada but we could improve the situation for Irish exporters.

As Deputy Wallace is aware, the provisional application excludes the investment court. We have a new EU agreement with South Korea, which has led to a 25% increase in Irish exports there. That is real evidence that trade agreements work for Irish exporters and create Irish jobs. When I travel around the country and meet families they are concerned about jobs. I am aware Deputy Wallace has a later question about jobs in Wexford. People want to make sure that we are a good trading nation and that markets are open to us. I do not agree with Deputy Wallace's analysis of CETA.

IDA Site Visits

9. **Deputy Mick Wallace** asked the Minister for Jobs, Enterprise and Innovation if she is satisfied with the number of IDA site visits to County Wexford in the past two years; if she will provide details of long-term measures she has planned in order to counteract economic stagnation in the south-east region; and if she will make a statement on the matter. [39113/16]

Deputy Mick Wallace: In regard to the previous question, less than 20% of the negotiations on CETA and TTIP concerned trade. I will now proceed to my question about jobs in Wexford. The national average unemployment rate is 7.2% while Wexford's unemployment rate is 18.4% - the third worst in the entire country. According to the South East Economic Monitor project, the south-east's economy continues to be characterised by persistently high levels of unemployment, deprivation and significantly lower job quality and that two data points explain why this might be the case: low education attainment and low higher education capacity within the region; and the paucity of new IDA-supported jobs over the past 25 years. Does the Minister have any serious plans to address those huge problems?

Deputy Mary Mitchell O'Connor: Site visits to County Wexford are increasing. In 2014 there was one site visit to the county, while in 2015 there were four such visits. By the end of September this year, six visits had taken place. It is certainly the case that the south east was badly affected by the economic crisis. I am pleased, however, that the employment situation there has improved remarkably in recent years. The unemployment rate, for example, has fallen from a peak of 20.1% in early 2012 to 10.4% now.

Client companies of both IDA Ireland and Enterprise Ireland have contributed significantly to the improvement. In 2014 and 2015, those clients created a total of 5,181 new jobs in the south east, bringing total agency supported employment to 32,518 in the region.

The numbers show that the region is making significant progress, although much work re-

mains to be done. The south-east regional Action Plan for Jobs, which was published by my Department last year, represents an important tool in our efforts to sustain the economic progress being made. Its goal is to have a further 25,000 people at work in the region by 2020 and to bring the unemployment level to within 1% of the State average.

Deputy Mick Wallace: I dispute the Minister's figures. The national average unemployment rate at the moment is 7.2%, the unemployment rate in the south east currently stands at 12.5%, while the unemployment rate in Wexford is 18.4%. It is a separate county, although I accept it is not classified as such, but not only is the south-east region badly served, Wexford is the worst served part of the south-east region. I am sure the Minister of State, Deputy Halligan, is well aware of the facts.

Wexford has the third highest rate of unemployment in the country. It has the highest rate of suicide, one of the highest rates of rent supplement payments in the State and one of the highest percentage rates of people having no formal primary education at 18.5%. We have one of the lowest percentage rates, 20.9%, of people going on to third level, and one of the highest percentage rates of lone parents in the State. We are the third most deprived county in the country and by far the most deprived county in the south east. Wexford finds itself on the wrong end of almost every chart there is, and it is frightening that any county has been left behind to such a degree. I accept that is not the fault of the Minister. Too much parish pump politics over the years has left Wexford in the State it is in. Are there plans to introduce proactive measures to address the fact that we are living in the Dark Ages in Wexford?

Deputy Mary Mitchell O'Connor: First, people in Wexford are not living in the Dark Ages. The chairperson of the task force is a Wexford man and he is really involved and driving the improvement and progress we want for the south-east region.

We launched the regional action plans and we are working our way through them. I take on board what Deputy Wallace said. I read the report carried out by the Waterford Institute of Technology on unemployment in the area. We are working our way through the action plans. Enterprise Ireland, the IDA, the Retail Forum and the local enterprise offices, LEOs, are working together to make sure jobs are provided in Wexford. I accept what Deputy Wallace said about the various problems, including social problems in the area, but the Action Plan for Jobs is working. The south-east region was hit particularly hard, especially in the construction sector. Approximately 10,000 jobs were lost in the region and one does not get them back overnight, but we are working on the issue and there is an improvement, which is evident from the statistics. We must work much harder. It might be a good idea for Deputy Wallace to interact with the implementation group in the south east and to meet the chairman, who is from Wexford, who is driving the implementation group.

Deputy Mick Wallace: I have no problem with meeting the chairman. It still does not change the fact that unemployment is 18.4%. I have not been told about any direct actions that will happen. I was in here last week with the Minister for Social Protection who told me that I should be happy to hear that the number of people on the live register in the south east had dropped from 28,500 to 24,900. In fact, the figure for the south east in November 2016 is 41,556 so God knows what the Minister was thinking of but he was completely out with his figures.

I realise that it is not easy to pluck jobs out the sky but the area has been neglected and Wexford has been the most neglected part of the south east. There is an argument that when the

private sector is not prepared or interested in supplying jobs, the State should engage directly in employing people. It would not cost the Government much more and there is some benefit from it. It would take people off the dole and give them State work. If the initiative is right and the interest is there, improvements can be made, but we need action.

Deputy Mary Mitchell O'Connor: I take the Deputy's point but I am going by the figures I have. The published regional action plan jobs target for the south east is 25,000. A total of 13,000 jobs have been created in the area. The plan is working and the south east is probably one of the better regions. I realise that we still have a long way to go. I was down there and met the implementation group and its chairman on numerous occasions. We are working our way through it and I am sure the chairman would be delighted to meet Deputy Wallace. There is a skills forum. Someone asked me a question here earlier this evening. An assessment of skills is taking place. The construction sector was really hit hard. Many people in Waterford and probably Wexford worked in Waterford Crystal and traditional industries that are no longer there so we must look at it and make sure people are trained so that they are available for new opportunities in the area.

Credit Guarantee Scheme Implementation

10. **Deputy Niall Collins** asked the Minister for Jobs, Enterprise and Innovation her views on the current draw down levels issued under the credit guarantee scheme, including the total value of approvals on the same dates and a county breakdown of each drawdown and approval; and if she will make a statement on the matter. [39111/16]

Deputy Niall Collins: What are the Minister's views on the current draw down levels issued under the credit guarantee scheme, including the total value of approvals on the same dates and a county breakdown of each draw down and approval?

Minister of State at the Department of Jobs, Enterprise and Innovation (Deputy John Halligan): I am taking this question on behalf of the Minister of State, Deputy Breen, who is delayed in Brussels. On 3 November 2016, the Minister of State provided the Deputy with the most recently available breakdown of the value of approvals by county as at 21 October 2012, as given to the Minister of State by the new operator of those schemes effective from 17 October 2016 - the Strategic Banking Corporation of Ireland, SBCI. Since then, the Minister of State has received the third quarterly report for 2016 for the period July to September 2016 and published this report on the website of the Department. If the Deputy does not have the report, I will make sure he gets it. The SBCI has advised that the total value of loans approved under the schemes since its inception in October 2012 exceeds €60 million. The actual draw down of these facilities in the same period is approximately €17 million. However, it is not possible to provide a breakdown of draw downs by county for data protection and confidentiality reasons.

A loan under a credit guarantee scheme is one with a higher degree of risk because the SME in question has already tried and failed to get a bank loan before applying under the scheme. Once a loan is approved, it is entirely a commercial matter for the SME to decide whether or not the loan will be drawn down in whole or part. While the benefit of a guarantee is offered to a borrower under the scheme, some borrowers do not proceed.

Recognising that deficiencies in the original schemes and legislation were impeding use of the novel approach of credit guarantees, the Government decided on a process of review and re-

form and an amendment Act was subsequently adopted in February 2016 extending increasing the level of risk taken by the State, extending the definition of lender and loans to cover sources of finance other than banks, involving the SBCI in this area and enabling the SBCI and the Minister of State to work together to unlock EU funding sources for our SMEs. Work is currently being finalised on the new credit guarantee scheme and on the introduction through the SBCI of new risk sharing counter guarantee products. These will ensure that the future schemes are more fully aligned to the needs of business and will lead to an increased take-up of approvals.

Additional information not given on the floor of the House

The Government remains committed to ensuring that our SMEs have access to appropriate finance for their business needs, which will ensure that they continue to grow and develop. The credit guarantee schemes and the new counter guarantees are a central element of those supports which, when combined with other Government initiatives such as Microfinance Ireland, the SBCI, the Credit Review Office and the prompt payment code, should enable companies to expand, service new markets and grow employment.

Deputy Niall Collins: The Minister and Minister of State will be aware that in the context of the many discussions we have had about Brexit, the credit guarantee scheme is a significant part of the model our SMEs need to allow them to compete on an international basis bearing in mind that we are largely an exporting economy. The figures for approvals I have here show a concentration in Dublin and the greater Dublin area of Kildare, Meath and Wicklow. Naturally, some of that is down to the concentration of population, business and trade around the capital. In terms of trying to address the imbalance of regional development we are experiencing, we know that the country is lagging behind the city and waiting for the spillover effect from Dublin is a long wait for a lot of people and communities. Bearing in mind what ICTU, ISME, IBEC and the Irish Exporters Association are saying about the challenges Brexit poses for our businesses in exporting to the UK and trying to diversify into other markets to lessen the impact of Brexit, when can we expect the new scheme mentioned by the Minister of State to become available to businesses? What kind of timeframe are we talking about? Are we looking at greater levels of cover which businesses can avail of?

Deputy John Halligan: I accept that the take up of the scheme outside Dublin is comparatively low and this is being looked at. It is consistently asked why the figure of €17 million is so low compared to the credit guarantee scheme-sanctioned figure of €61 million. I do not know if a breakdown of the approval of loans and distribution by county and the reason why many people outside Dublin do not take up the scheme has been given to the Deputy but if not, it should have been. While guarantee-backed loans approved under the scheme are easily quantifiable, for some reason, some SMEs, and there seems to be higher proportion outside Dublin, make the commercial decision not to take up the scheme. I do not know the reason for this. It should also be noted that negotiations between the Department and the Department of Finance are ongoing and there is a recognition that there is some fault in the scheme. There is no question about that. The objective of the scheme was that there would be parity across the country in respect of take up. I am told that in a number of months, an initiative should be put in place. It will take a bit of time. The scheme will probably be brought to the Dáil and Members will be able to put further questions regarding the current scheme if they feel there are deficiencies in it and how the next scheme could be put in place.

Dáil Éireann
Military Exports

11. **Deputy Clare Daly** asked the Minister for Jobs, Enterprise and Innovation her views on the fact that no preliminary figures on the export of dual use and military items are yet available for 2016 in view of the fact that six monthly reports on such exports were published at the end of June in each of the years 2012, 2013 and 2014 and in May 2015; and if she will make a statement on the matter. [38950/16]

13. **Deputy Clare Daly** asked the Minister for Jobs, Enterprise and Innovation her views on the fact that the report on the export of military and dual use items from Ireland under the Control of Exports Act 2008 covering the period 1 January 2015 to 31 December 2015 has not yet been published and preliminary figures are the only figures available for this period; and if she will make a statement on the matter. [38949/16]

Deputy Mick Wallace: For many years, Ireland has had a poor record on publishing data on its military and dual use exports. It was safer for Governments to pretend that we were not an exporter of arms to maintain our thin facade of neutrality. However, perhaps provoked by the Mark Thomas documentary, we got the Control of Exports Act 2008. In 2011 we got the first report on exports of arms and dual-use items. As we approach the end of 2016, we do not have preliminary figures for this year or detailed figures for 2015. What is the explanation?

4 o'clock

Deputy Mary Mitchell O'Connor: I propose to take Questions Nos. 11 and 13 together.

My Department is responsible for controls on the export of military items from Ireland. Under Irish law, military export licences must be sought for the export from Ireland of military goods and technology and any component thereof listed on the EU common military list. Items which are classified as “military goods” from an export control perspective and exported from Ireland involve components rather than finished military equipment. Military licences issued by my Department include licences issued to individuals holding sports firearms and companies engaged in mining activity.

My Department is also responsible for licensing the export of dual-use items outside the European Union. It performs this function pursuant to Council Regulation (EC) No. 428/2009 setting up a Community regime for the control of exports and the transfer, brokering and transit of dual-use items. The term “dual-use” refers to items that are normally used for civilian or commercial purposes but which may also have a military application. The vast majority of dual-use licences issued by my Department are for commercial purposes.

Export licence statistics for both military and dual-use goods for the period 1 January to 30 June 2016 will be published before the end of the month. My Department also publishes more comprehensive annual reports on its export licensing activity undertaken under the Control of Exports Act 2008. It is my intention to publish the report for the period 1 January to 31 December 2015 later this month. As the Deputy will be aware, the previous report for the period 1 January 2013 to 31 December 2014 was published by my Department in December 2015.

Deputy Mick Wallace: In 2014 Ireland issued 50 licences for exports of dual-use items to Saudi Arabia. In the same year €2.3 million worth of straight-up weapons were exported to the same place. Saudi Arabia started to bombard Yemen in 2015 and has been accused by the United Nations of committing war crimes there. How many weapons and weapon components

were send from Ireland to Saudi Arabia that were used against Yemeni civilians? This is of importance to the people of Ireland, given what is happening in Yemen today. It is reckoned that about 20 million people have either been displaced or are at risk of poverty in Yemen. It is a total humanitarian disaster and Saudi Arabia is engaging in genocide. Is the Minister comfortable with the fact that Ireland is still prepared to send to Saudi Arabia components of weapons which can be put together with other weapon parts to kill people?

Deputy Mary Mitchell O'Connor: As I said, there is legislation in place. Council Regulation (EC) No. 428/2009 establishes a licensing regime for the export of dual-use products from the European Union. The regulation applies directly to Ireland and Irish exporters. It includes an extensive and detailed list of dual-use items for which a licence is required to export from the European Union. The list is updated regularly, most recently in November.

The Control of Exports Act 2008 requires the Minister to prepare and lay before each House of the Oireachtas a report on operations in the preceding year. The reports provide statistics for licensing activity in the export of military and dual-use goods and also describe developments in Ireland's export control regime. They include a ministerial foreword. It is currently being drafted. The reports are available on the Department's website. I take my role in this area very seriously.

Deputy Mick Wallace: Items are included in the EU military exports and dual-use items lists because they are dangerous objects which can be put to deadly use. It has often been argued that some of them are innocuous, but if that was the case, the Minister should be lobbying the European Union to take them off the lists. While she might claim that the European Union is happy for us to export dual-use items, given that at least we pretend to be neutral, how, in God's name, can we export to Saudi Arabia anything that could be used against the people of Yemen? I do not understand the logic. We seem to tolerate just about anything Saudi Arabia does. It would not even allow speaking time following the death of Fidel Castro. While there are questions about his human rights' record, he never got up to half the mischief Saudi Arabia has got up to. As the Minister of State sitting beside the Minister will vouch, there is no way Ireland should have anything to do with what is happening as part of Saudi Arabia's military policy.

Deputy Mary Mitchell O'Connor: My Department takes this issue very seriously. The export licensing regime ensures as far as possible that exported items will be used by the stated end-user for the end-uses stated. It seeks to prevent exported items from being used for illicit purposes. Safeguards are built into the licensing system to facilitate robust checks and cross-checking in this regard. The licensing unit of my Department is responsible for the analysis and processing of applications for export licences. All applications are subject to rigorous scrutiny on a case by case basis. The licensing unit ensures companies based in Ireland comply with national and EU legislation governing the export of dual-use items and military goods. The linkage between export controls and international disarmament, human rights and security concerns requires ongoing contact which happens, both formally and informally, with the Department of Foreign Affairs and Trade.

Deputy Mick Wallace: While I do not know what the appropriate forum is, if there is a link between countries to which we are prepared to export and human rights concerns, will the Minister, please, ask the Cabinet whether it is right for Ireland to continue to export dual-use items to Saudi Arabia? If, as the Minister said, there is a link with human rights concerns, we cannot possibly export such items to Saudi Arabia. I plead with her to raise the really serious

issue with the Cabinet. While things are bad in Syria, they are getting even worse in Yemen and Saudi Arabia is responsible thanks to the backing of the US military. We are staying silent and still prepared to export dual-use items to Saudi Arabia.

Deputy Mary Mitchell O'Connor: My officials are in regular contact with the Department of Foreign Affairs and Trade on export licensing issues. They consult it on all military exports licence applications and the majority of dual-use items export licence applications. The Department of Foreign Affairs and Trade provides valuable advice for my Department. Its observations are considered fully in the assessment of licence applications. In addition to these day-to-day contacts with the disarmament and non-proliferation section of that Department, more formal liaison meetings take place on a regular basis to share information and review strategic issues which affect export controls.

Research and Development Funding

12. **Deputy Maurice Quinlivan** asked the Minister for Jobs, Enterprise and Innovation if she will provide a detailed breakdown of the recipients of the science and technology development programme in tabular form; the amount they received; the details of the project; and if she will make a statement on the matter. [38945/16]

16. **Deputy Maurice Quinlivan** asked the Minister for Jobs, Enterprise and Innovation if she will provide a detailed breakdown of the recipients of the programme for research in third level institutions; the amount they received; the details of the specific project; and if she will make a statement on the matter. [38946/16]

Minister of State at the Department of Jobs, Enterprise and Innovation (Deputy John Halligan): I propose to take Questions Nos. 12 and 16 together.

My Department recently secured Cabinet approval for the provision of a capital investment package of €60 million for expenditure in 2016. This will include €49 million for innovation, including the areas of research and development, science and technology. It includes funding of €27 million to Science Foundation Ireland, SFI, as part of the science and technology development programme, and €20 million to the Programme for Research in Third Level Institutions, PRTLTI, and €2 million to the European Space Agency.

The additional capital of €27 million will allow SFI to fund the acquisition of critically needed research equipment across each of the seven universities in Ireland as well as in the Royal College of Surgeons in Ireland, the Waterford Institute of Technology, Teagasc and the Tyndall National Institute.

The €20 million being provided to the PRTLTI cycle 5 will be used to pay off a further instalment of an outstanding bill for PRTLTI cycle 5 awards to the higher education sector for equipment and buildings. It will be distributed across all seven national universities, as well the Cork and Dublin Institutes of Technology.

The €2 million being provided to the European Space Agency is being allocated to two separate programmes - €1 million each to the ESA's advanced research in telecommunications systems, ARTES, satellite communications programme and the general support technology programme, GSTP. This additional investment in these two European Space Agency programmes

will result in contracts for Irish companies and create jobs and exports.

The increased funding under these programmes shows the Government's commitment to meeting the targets set in Innovation 2020, our strategy for research, development, science and technology.

My officials will provide a full breakdown of the details of the allocations of these Supplementary Estimates in tabular form and I can provide some details to the Deputy's supplementary questions.

Deputy Maurice Quinlivan: I thank the Minister of State for his response. I am concerned about the uneven distribution of funding at a regional and institutional level. Innovation 2020, which outlines the Minister of State's Department's strategy for research, development, science, technology identifies innovation as being critical. For example, page 15 of that document notes:

The primary rationale for Government investment in innovation is to develop a competitive knowledge-based economy and society and to drive innovation in enterprise...and maximise the return on our investment for economic and social progress. Investment in research and development increases economic productivity and competitiveness, and improves quality of life, health, and social and environmental outcomes. An essential component of supporting an innovative and enterprising economy, innovation investment is crucial to creating and maintaining high-value jobs and attracting, developing and nurturing business.

I absolutely agree with the sentiments in Innovation 2020 that research is of vital importance to underpin a strong, developed, progressive and sustainable society.

Deputy John Halligan: I acknowledge the Deputy's great interest in research and development. He has put questions to the Department on a number of occasions and I am always interested to meet with the Deputy. I want to go through a few things of interest and I promise to send on details to the Deputy within a couple of days. In the short time I have I will provide a list of the research performing institutes. These include: University College Dublin; Trinity College, Dublin; University College Cork; Dublin City University; the National University of Ireland Maynooth; University of Limerick; the National University of Ireland Galway; Waterford Institute of Technology; the Royal College of Surgeons in Ireland; and the Tyndall National Institute in Cork.

The Deputy was wondering how the €20 million on PRTLTI will be spent. It will be distributed across a number of research performing institutes, including all seven national universities. I have the breakdown in regard to the €27 million to Science Foundation Ireland, SFI, and I can forward this to the Deputy at any time. It may answer his question. I have the information here but it would take too long to read out. I will make sure it is sent on to the Deputy.

Deputy Maurice Quinlivan: That is fine.

Acting Chairman (Deputy Bernard J. Durkan): Deputies Lawless and Quinlivan may have one supplementary question each. We are running close to time.

Deputy James Lawless: Will the Minister of State circulate the breakdown of the programme to the rest of the House also? We speak about the science and technology development programme and how it is going to be apportioned. I have a similar concern about the

Programme for Research in Third Level Institutions, PRTLTI. We are awaiting detail on the PRTLTI successor programme and how it will be manifested. What the strategic focus in that programme will be is of particular interest. The PRTLTI programme always provided support for multiple disciplines and I query whether that has now been narrowed to provide a strategic focus in certain areas, along the SFI model or if it remains a broad-based programme, as PRTLTI was intended to be. Perhaps the Minister would clarify that.

Deputy Maurice Quinlivan: I thank the Minister for agreeing to send that detail on to me. With regard to the OECD and its support for strong public investment in science and innovation, the OECD knows that the Government must continue to invest in future sources of growth such as education, infrastructure and research. The OECD has said that cutting back on public investment in support for innovation only provides short-term fiscal relief but would damage the foundation of long-term growth. I am concerned that the uneven distribution of funds will result in a regional and institutional deficit when it comes to scientific and technological innovation.

Deputy John Halligan: The Deputy is asking if cycle 5 of the programme is fully paid, or what is remaining to be paid. In monetary terms, cycle 5 was the largest of the five cycles which awarded a total of €359 million in funding across 36 distinct projects. My Department continues to make payments to the colleges via the Higher Education Authority in respect of the PRTLTI cycle 5. Total expenditure by my Department on PRTLTI in 2016 was €30.7 million, including the additional €20 million Supplementary Estimate payment for 2016. The remaining total liabilities under cycle 5 will now be reduced to €36 million. We have been paying down cycle 5 liabilities at a rate of approximately €30 million per annum, with some variation around the precise timing of the payments. At this stage, we expect to clear PRTLTI cycle 5 liabilities by the end of 2018.

Question No. 13 answered with Question No. 11.

Written Answers follow Adjournment.

Topical Issue Debate

Mental Health Services

Deputy Fiona O'Loughlin: This is an area with which the Acting Chairman, Deputy Durkan, is very familiar as it is in his constituency. I thank the Minister of State for being here for the debate. The Minister for Health, Deputy Simon Harris, visited Naas General Hospital recently. I know this through social media and newspapers. It is regrettable that other Deputies in the constituency were not invited, because it has always been a matter of respect and courtesy that all Oireachtas Members in a constituency are invited to meet a Minister to air the issues they have. This is not only with regard to this case, but I am speaking about Naas and it is regrettable it did not happen, particularly because I have raised the issue of Lakeview previously in the House with the Minister.

Having said that, and to get to the topic in question, Lakeview is a 29 bed unit in Naas General Hospital. The staff do an incredible job with people who have acute mental health issues. Not a day goes by in the House that some Member does not speak about the importance of mental health. I know the Minister of State is very conscious of it.

This is a crisis situation in Naas. I have spoken to the HSE and it acknowledges and recognises this is the top priority in the country for funding. To have a 29-bed unit in archaic conditions, and mixed wards which certainly do not help anybody in a crisis situation with their mental health, is appalling in this day and age. Many patients cannot be catered for there and must go to the ten bed unit in Portlaoise, which is putting pressure on that unit. There is a huge need for an investment of €5.5 million to be spent on Lakeview to modernise it, to have a positive environment for people suffering from acute mental health issues and to help restore confidence in the system. There is huge burnout among the staff because it is dark and dreary and no investment has been put into it for more than 100 years.

While community mental health support is vital, as are any actions we can take to place an emphasis on positive mental health, when people present with conditions they need to be in a safe and secure unit and it is imperative they are in the proper place and receive the proper care. The investment in mental health in Kildare is the lowest in the country. We have one of the highest rates of suicide in the country. Over the past ten years, there has been an average of 23 suicides in County Kildare, and most of them were in my town of Newbridge. Over the past two months we have had five suicides. We need a situation whereby people can present in an accident and emergency type unit for mental health issues. At present, people present in the accident and emergency department in Naas General Hospital, which is across from the corridor from Lakeview. We need to put in place emergency measures and have a positive environment for those suffering from acute mental health issues.

Minister of State at the Department of Health (Deputy Helen McEntee): I thank Deputy O'Loughlin for raising this issue. As the Minister of State, and as a Deputy from a county which is the equally lowest funded with regard to mental health, I understand where she is coming from.

As Deputy O'Loughlin said, Lakeview is a 29-bed acute mental health unit on the campus of Naas General Hospital. It was designed and built in the late 1980s to cater for the Kildare and west Wicklow population of 135,000 at that time. It succeeded the previous arrangement of services provided by the Carlow and St. Loman's Dublin mental health services to the population of Kildare, and at the time was a ground-breaking development based on the then national policy, Planning for the Future. Some 30 years on, the current population of Kildare and west Wicklow has increased dramatically to 228,000, and is expected to rise over the coming years.

As the Deputy pointed out, increasing pressures on bed occupancy and levels of acuity have created a very high-risk environment for patients and staff. The HSE indicates the number of beds in Lakeview is inadequate for the current needs of the area, based on the national policy A Vision for Change. The occupancy rates of 140% provide further evidence of this increase in demand and obvious need. A temporary accommodation was reached three years ago, with ten acute beds being made available in the acute unit in Portlaoise for Kildare patients. However, this is not ideal by any means, the numbers remain inadequate and the demand and pressure on the Naas unit has reached unsafe levels again.

It is generally accepted there is a need to develop bed capacity in Naas. Development of the unit would have the effect of addressing the bed crisis situation and de-escalating acuity levels, by managing challenging patients in a more suitable environment. The Department of Health has provided sanction for €5.5 million funding to address some of the physical infrastructural deficits at the Lakeview unit. This funding will enable a design team to conduct scoping and design work, with a view to construction commencing in 2017 and being completed in 2019.

This will deliver an additional eight beds and, most importantly, provide a high observation unit to alleviate existing service pressures at the facility.

The lack of appropriate step-down facilities in the form of high support hostels and community based teams also has an impact on the ability of Lakeview to deliver an appropriate service. A Vision for Change would recommend up to 60 high support hostel placements for a population of this size. There are currently only 27 places. The HSE is looking at possible solutions to maintain hostel support capacity in the area and is exploring the potential to increase it.

As part of the significant investment provided by Government over recent years to enhance all aspects of mental health services nationally, funding has been approved to recruit staff to populate three community-based mental health teams for the Kildare and west Wicklow area. This will mean that more patients, as appropriate, will be seen at a much lower level of complexity and will reduce the requirement for admissions to the Lakeview unit, which is where we want to take matters in future. Challenges are being experienced with the recruitment of psychiatric nurses to staff these teams, and work is ongoing nationally by the HSE to overcome acknowledged staffing difficulties. I assure the Deputy that, in light of the additional mental health funding being made available to the HSE for Lakeview, I will continue to monitor progress closely on the matter. I will update the Deputy and colleagues as it progresses.

Deputy Fiona O'Loughlin: I am absolutely delighted to hear this news. For the Kildare people who use the services and their families, as well as the staff at Lakeview unit, this is really good news. The fact that the physical design will be updated - making it a brighter building and a better place for people to be treated in and to work in - is also very welcome, as is the addition of eight new units. I am really glad that construction will commence next year. Will there be disruption to bed space in the two-year period during which this work will be undertaken? What are the plans for the interim period? I am glad about the commitment to more appropriate step-down facilities because these have to be part of the whole picture of treating mental issues. The funding for staff is really good too. I acknowledge the very good work done by Hope(d) locally and by the Samaritans and many other community groups in the area which are really struggling to support positive mental health, particularly among young people, as best they can. Generally, this is really good news and I welcome it.

Deputy Helen McEntee: I know that the Deputy's priority is that the additional funding be allocated. It is important that work progresses quickly and in an effective manner. My own view is that there will not be disruption but I will clarify that for the Deputy with the design team and those who are doing the scoping work. At present, the service asks staff to work in archaic settings and if we are encouraging staff to come home, and nurses to go into the profession, we need to invest not just in the staff themselves but in the facilities in which they are going to work and this will form part of the work we are doing to implement A Vision for Change. There is also a need to focus on our community-based services and it is a priority for the Government to make sure the approved posts are filled as quickly as possible.

I thank the Deputy and agree with her that the staff and community organisations and teams do a fantastic job. This will help them and we will support them as much as we can.

An Ceann Comhairle: The next matter is in the name of Deputy Michael Collins who is not yet with us. Deputy Clare Daly is in the House, though, and she has the third matter. Is Deputy Helen McEntee taking the matter on behalf of the Minister for Transport, Tourism and Sport?

Deputy Helen McEntee: No.

An Ceann Comhairle: For topical issues, people really have to be about their business and be here on time.

Deputy Helen McEntee: I think Members thought the discussion on climate change would last longer.

Deputy Clare Daly: We were contacted by e-mail and told that the schedule had been moved forward. We were told a number of times.

An Ceann Comhairle: It is highly unacceptable that the proceedings of the House are held up in this manner. I do not want to suspend but we do not have Deputy Michael Collins and we do not yet have the Minister for the third matter. I think the Whips are not about their business.

Sitting suspended at 4.35 p.m. and resumed at 4.40 p.m.

Aviation Issues

Deputy Clare Daly: I am delighted to have the opportunity to discuss this issue. I was shocked at the one-sided nature of the coverage of, welcome for and fawning over the announcement that Norwegian Air International, NAI, will operate transatlantic flights from Cork. The move has been long in the making and has been an issue of major concern for unions in the airline industry on both sides of the Atlantic. As we know, NAI is a wholly-owned Irish subsidiary of Norwegian Air Shuttle, NAS. The scheme is an effort to circumvent the US-EU Open Skies agreement and usher in a Walmart-style race to the bottom for cheap labour. These are the words of some of the American unions. This is the business model of NAS: a Norwegian airline registers its aircraft in Ireland, rents flight crews based in Thailand who are covered by Singapore labour laws and applies for a foreign air carrier permit from the US.

NAS already had the relevant US permits to fly. It could have operated from Cork to Boston for the past two years but held off until it got the US permit for its Irish subsidiary, NAI. Why was that? There would have been no difference at all to the consumer. The airlines in the group offer a common and identical product and brand. The only reason it held off was to cynically engage the Irish-American lobby and the Government to get the US permit for NAI to operate in what is, in effect, a policy of social dumping. The CEO of NAI has had meetings with the Irish Airline Pilots Association, IALPA, and other pilots unions in Ireland and has admitted that NAI's business model would not work without an Asian cost base on the EU to US routes. This is the only way cheap fares can be offered. While there may be a temporary advantage in getting people easy, lower-cost access to the US, it will ultimately be at a cost of undermining jobs and conditions in the airline industry. This is incredibly serious.

I have heard utterances from NAI saying it was not going to use Asian crew. This is not about the nationality or the base of the crew involved. It is about the jurisdiction of the contracts of employment under which they operate. An Asian crew is being paid between \$400 and \$450 per month. The precedent is already there. The airline has flown routes from Oslo to the US using crews that are 100% based in Thailand. Irish and American wages could not compete with it. With this arrangement, the Minister's Department is facilitating what is essentially, and could be called nothing but, social dumping. Ireland is a flag of convenience in a race to the

bottom regarding labour laws. The pilots have asked to meet the Minister. I would like him to comment on this. They are desperately keen for the Minister to take them up on their offer if he is so sure this is the best way forward.

Minister for Transport, Tourism and Sport (Deputy Shane Ross): I welcome the opportunity to address the House on the recent very positive developments regarding Irish airline NAI and I thank the Deputy for raising the issue. I welcomed the decision last Friday by the US Department of Transportation to grant a foreign air carrier permit to NAI. Under the terms of the EU-US Open Skies agreement, this permit will allow the airline to fly from any airport in the 28 EU member states, as well as Norway and Iceland, to any airport in the United States. Although the airline had hoped to start transatlantic services from Cork Airport last summer, it was not possible without the permit from the US authorities. The airline has confirmed this week that the detailed planning is under way, with the first flights planned to take off next summer. Its immediate focus is on finalising plans for transatlantic flights from Cork and Shannon. However, work is also under way to consider further opportunities for expansion of services. It has said it will focus on making transatlantic travel affordable for all, with low-cost fares and a high-quality service.

NAI is an Irish airline within the Norwegian Group. The group also has airlines licensed in Norway and the UK. It is not unusual for an airline group to be made of up of individual airlines licensed in different countries. For example, Aer Lingus is also now part of the International Airlines Group, IAG, which comprises a number of airlines based in different European countries. NAI was licensed as an Irish airline in February 2014. Despite the delay in getting its US permit, it has been able to grow its European operations rapidly within the EU single aviation market. The airline is headquartered at Dublin Airport from where a sizeable team of aviation professionals operate nearly 50 aircraft, all on the Irish aircraft register. The airline operates flights throughout Europe. Now with a permit to fly to the US, NAI will be able to add transatlantic operations and to continue to grow its business from Ireland.

The Government has been very supportive of the airline from the outset and has shared in Norwegian Air's frustration at the delay in making a decision on its application for a US permit. The airline has said the primary motivation for establishing an Irish airline was to have an EU based airline within the group, given that Norway is not an EU member state. The controversy created in the US facilitated a rather uninformed and misleading debate. A range of allegations were made against the airline's business model. This does not undermine the Deputy's case, which was genuinely and sincerely made. There was also commentary on Ireland's ability to provide effective safety oversight of NAI. The Government has always made its position on this clear, and it has been supported. Ireland has made it clear that there was no basis for the irresponsible, unfounded and damaging public statements that have been made about the standard of social and employment protection in Ireland and about the capability of the Irish regulatory authorities to effectively oversee the safety of NAI's operations. The European Commission has also been resolute in its support for NAI and I have already thanked the European Commissioner for Transport, Violeta Bulc, for this. When first put in place in 2007, the Open Skies agreement with the US was designed to encourage competition in the transatlantic air market. New services from smaller airports such as Cork, which have never had transatlantic services, are precisely the type of innovation the agreement was designed to facilitate. Passenger numbers at Cork Airport have been slower to recover than those at Dublin and Shannon. I am happy to report that after seven straight years of declining passenger numbers, the past year has seen a return to growth at the airport.

The announcement this week by the CEO of NAI that it intends to launch its Cork to Boston route in summer 2017 will provide a further boost to the airport and help increase connectivity in the region. This announcement came on the back of another by the Icelandic low-cost operator WOW air, a new airline to the region, which is to commence a new service from Cork to Reykjavik and onward to the US east coast and Canada next year. The announcement of these new services is an example of the confidence the business community has in Cork and the south of Ireland. In addition, the provision of air access from North America to one of the starting points of the Wild Atlantic Way and Ireland's Ancient East will be a significant boost to transatlantic tourism.

Deputy Clare Daly: Why does the Minister think Norwegian Air Group, which has no connection whatsoever with Ireland and which already has a number of wholly-owned subsidiaries, decided to establish a base in Ireland? Given the size of its population, Ireland is not very attractive. The only conclusion one can come to is that this was done to avoid Norway's labour and tax laws. The carrier could have operated its base last year. It did not need to get clearance to operate last year. However, it could not have done it with access to the cheaper crews. Now, it can operate. It chose to do it, and the reason is backed up its CEO's statement that it would not have worked if the company did not have access to the Asian cost base. I make the point and register it. By allowing this arrangement to go ahead we are in reality standing over a type of social dumping. I want to nail any idea that there is any racism in this or anything like that. It has nothing to do with that. The objection is about the jurisdiction of the contract of employment, not the citizenship or base of the crew. For example, Irish crew working in different airlines all over the world are employed under contracts in different countries and have no right of access to the Labour Court even if they live in Dublin. This arrangement facilitates the employment of crew who are covered by arrangements in Asia where wages are sadly of the order of \$400 to \$450 per month. That is an incredibly serious threat to conditions of employment in Ireland, across Europe and in America, which is why AFL-CIO and America's unions in particular had huge concerns about this measure.

The last time Ireland was put out there as a lucrative base to attract people, it was in relation to our banking sector. Look where that ended up. We are now going to pimp the country out as a place for airlines with no connection here. Let us be clear that they said that no crew or pilots they will employ will be Irish. If they are not taking on any Irish staff, why are they here? This country is being put out there because of our laxity on labour law and tax rates.

Deputy Shane Ross: What the Deputy says is speculative. Maybe she is right or maybe she is wrong. I do not believe she is right, but we will wait and see. All I can see is the evidence before me of what the airline itself has stated. It has stated that NAI has no Asian based crew and that US and EU based crew will be used on NAI transatlantic services. It has stated that Norwegian always follows the rules and regulations in all the markets in which it operates and offers employees competitive wages and conditions. It will not be able to do anything Aer Lingus or Ryanair cannot do already. It will not be in a different category.

As has recently been communicated in a reply on NAI's employment practices, my Department has not undertaken an examination of the specific employment practices of any Irish airline. All matters related to employment contracts are an operational matter for the airlines and not under my remit as Minister for Transport, Tourism and Sport. I reiterate to the Deputy that Ireland has a robust suite of employment rights legislation which offers extensive protection to employees.

I note to Deputy Daly that I will meet the people to whom she refers. It would certainly be wrong for me not to do so. I assure her that this decision and application will not be reversed and there will be no attempt to do anything of the sort. I am happy to meet them, however, because it would be right to hear their points of view.

Social and Affordable Housing Bill 2016: Second Stage [Private Members]

Deputy Jan O’Sullivan: I move: “That the Bill be now read a Second Time”.

I am presenting the Social and Affordable Housing Bill to the House on behalf of the Labour Party to set out the urgent legislative actions needed to address what has become a crisis of soaring rents and little or no construction of homes where they are desperately needed. I am very disappointed that both the Government and Fianna Fáil have decided to hide behind the Government’s intention to publish proposals next week and propose amendments. I note that there is no one here from Fianna Fáil but I am particularly surprised by the party’s amendment which contains no practical proposals around what we might do on these urgent issues. At least the Government has presented proposals and will present more next week. Deputy Barry Cowen of Fianna Fáil has now entered the Chamber.

There is one particular part of the party’s amendment that I find bizarre. It states:

while an abundance of measures are required to speed up the delivery of new social and affordable housing, the proposals in the Social and Affordable Housing Bill 2016 for local authorities to use compulsory purchase orders to buy non-residentially zoned and un-serviced land to build social housing on, would be a needless and senseless waste of public resources and not create sustainable communities.

It is as if the rezonings, brown envelopes and everything that led to the series of tribunals had never happened and as if people had not made a huge amount of money out of the rezoning of agricultural land. It resulted in tribunals and huge problems around the edge of Dublin. It is as if there had been no proposal in the Kenny report, which is about 40 years old now, that the compulsory purchase of land for social housing should not result in extortionate profits for the owners. The Kenny report recommended that the State should pay the value of the land at its current zoning, which would normally be agricultural, plus 25%. It was a highly respected proposal at the time, albeit the Minister might argue about its constitutionality. However, the description of our proposal to implement the Kenny report recommendation in the Fianna Fáil amendment is farcical. That is not what it is about. It is about ensuring that owners of land do not sit on it so that they can make a killing at a later stage.

That is what the Kenny report was about too. It was about controlling the price of building land so that when land is required for building as cities develop, it does not result in such huge profits and what happened in the tribunals. That is a deliberate misinterpretation of what we are proposing. I was a member of the All-Party Committee on the Constitution that met to discuss the implementation of the Kenny report. Chaired by a very good Fianna Fáil person, the committee agreed that the Kenny report was not unconstitutional because it struck the correct balance between the social and community good and the rights of private property, which are protected in the Constitution. The Fianna Fáil amendment completely ducks the issue and fails to make any proposals.

I will return to the issue of the Constitution later because the Minister in his amendment is also suggesting there may be constitutional concerns. I do not know if they concern the par-

ticular issue which should have been put to bed by the report of the All-Party Committee on the Constitution or whether they may be around the issue of rent control. If they are around that, Threshold has done some very good work in relation to the Constitution and striking the balance between the common good and the rights of private property. Threshold quotes different cases and comes to the conclusion that there is no constitutional obstacle to having referenced rents and controlling rent increases or to issues around requiring vacant possession in the sale of a property. The Constitution is not an obstacle. It was never meant to protect private property at the expense of the common good. Clearly, it contains a balance which the measures in the Bill get right. I welcome the Minister's clarification earlier today that there is some reduction this month in the rate at which people are losing their homes, but there are still far too many people losing their homes. In some cases, they are in the street and in others in hotels with their children. In that context, we should not see obstacles in the Constitution which, in my view and that of many learned lawyers, do not exist.

Those who face unaffordable rent hikes cannot wait for the market to solve this. They need answers now. They are real people and families with limited incomes and whose most basic need, a roof over their heads, is costing more than they can pay. We do not have all the answers. I acknowledge fully that all parties and groups have raised these issues and made proposals and that the Minister has published his housing strategy on behalf of the Government to be further developed next week with proposals for the rented sector, but I implore him to take action for those who are in crisis now. Building enough housings to deal with the pressure of demand will take time. We know it takes quite a long time to go from the allocation of funding to the building of social houses and, indeed, from the determination of a developer or a builder to the building of private houses.

5 o'clock

In the meantime, people are put in a position whereby they have to rent but cannot afford to do so. In many parts of Dublin, the mortgage for an average three-bedroom house is lower per month than the cost of renting the same house. It is becoming impossible for people to pay the kind of rents that are being sought.

I recognise that many in the House have raised this issue regularly and we debated it recently in the context of a Sinn Féin Bill. Some of the measures in my Bill are also covered by other Bills we have debated.

The most recent *www.daft.ie* report makes for grim reading, especially for those who have to rent in the capital city. It breaks down the average cost of renting a three-bedroom house in each of the Dublin districts and the County Dublin area. The average cheapest rent for a three-bedroom house is €1,371 per month and the most expensive €2,200 per month. That is a significant chunk out of anybody's income. Even a household with two incomes would find such levels of rent difficult. Other cities are not far behind. I quoted Lorcan Serr in a previous debate, who predicts that rents will rise by 25%. This is clearly an urgent issue.

Today, I understand, the Secure Rents Campaign presented a petition calling for control of rents and security for renters on behalf of thousands of our fellow citizens, a number of trade unions and civil society groups to the Minister or his representative at the gates of Leinster House. The Bill before the House provides for rent increases to be linked to the consumer price index and protects renters from being evicted before their leases are up because a property is being sold. The Secure Rents Campaign calls for these measures, which were also discussed in

a debate on a Sinn Féin Bill tabled by Deputy Ó Broin. Other Deputies have also put forward proposals.

The Bill has another important measure to control rents. It requires the Residential Tenancies Board to establish an index of reference rents, whereby the initial rent must be calculated in accordance with the advertised values of comparable properties in particular areas. The Threshold document goes into quite a lot of detail on how that would work. Essentially, these measures are designed to set reasonable rents in the first place, to control increases in accordance with the cost of living and to protect tenants who have a lease from losing their home due to the sale of a property. These sections of the Bill are the most urgent and pressing, and I hope the Minister will be open to the proposals despite resistance from some Departments.

During a debate last week, the Minister said he is considering amendments made in the Seanad to a Bill that originated there. The Minister referred to the proposal that 20 units would have to be sold before tenants would be protected and have to yield vacant possession. That figure was amended to five in the Seanad, but the Minister has cast some doubt on the amendment. I urge him to reassure Members that it is not his intention to increase the figure. We would prefer for all tenants to be protected.

Other significant measures in the Bill are designed to free up affordable land and deter owners and developers from hoarding land and sites until they can make a greater profit. I referred to these measures, in particular implementing the recommendations of the Kenny report, which was published a long time ago. It recommended that the compensation paid where there is compulsory purchase of land for the purposes of building social houses would be the existing value of the land plus 25%. People may have had the opportunity to read the explanatory memorandum which we published with the Bill. It goes into quite a lot of detail around the balance of rights in the Constitution, in particular Article 43, which deals with private property and refers to the exigencies of the common good. That is the basis upon which we are making this proposal.

We are also proposing that where land is distressed - a lot of the time that will involve land that is being administered by NAMA or the banks - there should be a limit on the amount of profit that can be made from such land. This measure is specifically designed to address the issue of vulture funds purchasing property and being able to make very large profits.

There are a number of measures in the Bill to which I have already referred, most of which concern renting. Another measure deals with receivers and clarifies that where a receiver is in place, he or she has the duties of a landlord. It is an issue that has caused some difficulties and uncertainties in the case of properties where receivers have been appointed and tenants are not quite sure what are their rights and who is responsible for maintaining properties. We seek to clarify that situation.

I have already discussed the other rental measures in the Bill, which are important. Deputy Ó Broin's Bill deals with some of the same issues.

Part 4 of the Bill deals with an issue to which I referred, namely, land and sites that are suitable for development but are being hoarded for one reason or another, mainly because the owner expects to make a greater profit if he or she waits until prices are higher. There is a measure to introduce a vacant site levy in the Urban Regeneration and Housing Act 2015. It is not due to come into effect until 2018, but we propose that it be brought forward to 2017. I suspect

that may be one of the issues about which the Minister is concerned. Our Bill proposes to bring the levy forward to 2017, but makes it payable in arrears from 2018. It is designed to ensure that land is made available as soon as possible because everybody in the House wants social and private housing to be built. We simply do not have enough supply at the moment. In the meantime, renters are in a situation which is completely untenable for people earning average incomes and whose rents are soaring. They have no certainty and no great expectation that affordable housing will come on the market in the immediate future.

I look forward to the debate and hope the measures in the Bill will be seen to be practical and will assist in speeding up the supply of houses and, in the meantime, will ensure that people can afford to stay in their homes.

Minister for Housing, Planning, Community and Local Government (Deputy Simon Coveney): I move amendment No. 1:

To delete all words after “That” and substitute the following:

“Dáil Éireann, while recognising the adverse social and economic impacts arising from significant rent increases and the need for a comprehensive response to these impacts and while acknowledging the merits of the Social and Affordable Housing Bill 2016 in the context of the broader debate on the housing market, declines to give the Bill a second reading for the following reasons:

— it pre-empts the relevant commitments in the Programme for Government and in the Rebuilding Ireland — Action Plan for Housing and Homelessness, particularly in relation to the publication of a strategy for the rental sector by the end of 2016, in which the Government will be considering, in a considered and balanced manner, measures to provide greater rental predictability for landlords and tenants and to improve security of tenure for tenants;

— the measures in the Bill risk negatively impacting on existing and future supply of rental accommodation; and

— the Bill has potential legal and constitutional implications which require careful consideration, including in relation to giving site owners sufficient time to regularise their affairs in advance of becoming liable to the vacant site levy.”

I thank Deputy O’Sullivan for bringing the Bill forward. I always welcome the opportunity to discuss developments in the rental sector and housing market generally, and the Bill covers a number of important areas. The Deputy will be aware that I have tabled an amendment. The Bill deals with three main areas: assessment of compensation in respect of land acquired by compulsory purchase; rent and rent reviews; and the vacant site levy.

I will deal section 3 of the Bill, the main purpose of which is to amend the current rules on assessment of compensation in respect of the acquisition of land for housing purposes by local authorities. This Bill provides for a major departure from the existing rules of compensation for compulsory purchase, whereby the basic valuation of land is that of open market value in favour of a system whereby land valuation would be determined by different mechanisms depending on the circumstances of each acquisition.

In the case of development land acquired, the Bill proposes that compensation for acquisi-

tion by a local authority would comprise the cost of such land calculated at current use value plus 25%, rather than open market value. In the case of distressed land acquired, compensation would comprise the cost of land acquisition, the cost of any improvements carried out and a payment representing a return on the investment in the land concerned. In both cases, subject to the total compensation package, it could not exceed the open market value of the land.

While I understand the intention of this Bill, and I think section 2 is commendable in this regard, there appear to be practical shortcomings with the proposals in terms of its operation and legal shortcomings which put in question its constitutionality. The Bill would discriminate arbitrarily between a landowner who could sell development land at open market prices and those affected by a particular decision of a local authority to acquire their land at the much lower current use value. While not made clear in the Bill, the extent to which lands acquired by local authorities could be passed on to some private developers at reduced prices but not to others could impact unreasonably on competitiveness within the building industry and, again, give rise to fairness issues. As we know, a CPO award incorporates not only the price of land but compensation for damages caused by disturbance, severance and other affects to retained lands. In practice, these can constitute a significant and even major part of the overall award. These grounds for compensation are not affected by the Bill, so the scope for overall cost reduction is overstated.

Part V of the Planning and Development Act 2000 was a serious and well directed intervention in this area. It enables local authorities to acquire up to 10% of zoned housing land at existing use value. This was previously 20%. It has been supplemented by a series of ministerial guidelines to assist local authorities in its implementation. In light of this experience, the proposed section 3 in the Bill before us, on its own, is unlikely to deal adequately with the complexity of compensation for compulsory purchase and help local authorities deliver more affordable housing in a realistic timeframe. The rights of local authorities to acquire land compulsorily are important instruments in facilitating public interest objectives relating to housing, water, roads and general development. It is essential, in the interests of the common good, that we get the right balance between the rights of property owners and those of public authorities. The fundamental question is whether, in current circumstances, this Bill would be an effective and workable response to the issue. I have my doubts.

I will move on to the changes to the vacant site levy proposed in the Bill. The vacant site levy was introduced with the aim of incentivising the development of vacant under-utilised sites in urban areas for both housing and regeneration purposes. As land is a finite resource, there is unquestionably a shared public interest in ensuring the most efficient use of land, especially in urban areas. There was extensive engagement between my officials and those in the Office of the Attorney General in developing the legislative proposals for the vacant site levy. The engagement focused, in particular, on individual property rights. My predecessor was involved in most of those discussions. While in certain circumstances the Constitution allows the State to delimit the property rights of individuals in the interest of the common good, such restrictions on land owners' property rights must be reasonable and proportionate to the ends the legislation seeks to achieve. In particular, measures such as the vacant site levy must be introduced in line with the principles of fair procedures and administration.

The existing provisions were drafted and enacted on foot of this engagement and to reflect legal advice received. In this regard, the timeframes for the application of the vacant site levy - to be applied in 2019, but in respect of the year 2018 - are intended to allow site owners sufficient time and opportunity to initiate development or, alternatively, to sell their sites to another

person to develop in order to avoid becoming liable to the levy, which ultimately facilitates the achievement of the primary objective of the measure. While the proposals in the Bill before us, including the bringing forward of these timeframes, may on initial consideration seem to be justifiable, it is important that an appropriate degree of proportionality and reasonableness is applied. It is considered that the existing timeframes achieve this balance.

No one would rather introduce a levy earlier more than I would. We are trying to get sites moving. However, I am not going to introduce something which I know is, according to the advice of the Attorney General, not legally sound. People will simply challenge it and we will lose. Everyone wants to end the hoarding of land for the purpose of increasing margins and profits while we have a huge demand for housing. That is what we are trying to do, but we are doing it as quickly as is reasonable and legal. That is the advice we have received. If I felt we could make the legal case for what Deputy O'Sullivan has sought, I would do it in a heartbeat, but I would need to have sound legal advice that we could do it. If we are going to levy or tax someone for inactivity on sites, we have to give them an opportunity to ratchet up activity, get finance and planning permission in place and go through tendering processes etc. Those things take time. We are trying to streamline all these things to try to ensure the time involved is shortened, but we need to be realistic about the idea that we could introduce a levy overnight and expect to get away with it legally.

The Bill also proposes to increase the rate of the levy from 3% to 5% of the market value and to restrict the circumstances where a reduced or zero rate of the levy may apply. This approach appears to be overly punitive. In a similar way to the timeframe provisions, the current rate of the levy is considered proportionate to the levy's objectives. The provisions relating to the application of reduced or zero levy rates were included to help alleviate the financial burden faced by owners of vacant sites which are subject to a site loan. In some cases the loan is greater than the market value of the site such as where there is a negative equity situation or the loan is greater than 50% of the market value of the site. Those site owners who purchased sites at peak prices in the boom years that have since reduced in value arising from the property crash in the late 2000s are examples of those likely to be particularly affected. Again, the intention of the provisions is to ensure that the levy provisions are fair and proportionate. I do not have a whole lot of sympathy for those who are buying on a speculative basis now. I have some sympathy for those who bought at the height of the market and are trying to develop but cannot make the numbers add up because of the amount of money they owe and are looking to repay. However, even those people will be affected by this levy and will potentially have to sell on land to someone who can afford to develop it.

Part 3 of the Bill deals with a number of issues in the rental sector. I know that Deputy O'Sullivan is committed to reform in this area and had significant involvement in the early stages of the Residential Tenancies (Amendment) Act 2015. A strong and viable private rental sector can play an important role in the housing market and our wider economy. It can provide a housing option to those who either cannot enter or choose not to enter the owner-occupied market but who still have sufficient means to meet their own accommodation needs. It can provide a housing option to meet rising demand and can promote flexibility and better alignment to a more mobile labour market, making it easier for individuals and families to pursue job opportunities or adapt their accommodation to changing family circumstances.

I hope the Government's strategy, which has been influenced by a consultation process that many of the parties in this House have contributed to in a pretty significant way, will be published next week. I need to get Government approval for it next Tuesday. It is not realistic for

me to support a Bill in this House when we believe we will have a more comprehensive policy commitment that will involve some legislative change next week. My priority is to try to get a difficult balance right. We have to recognise that our core problem is a significant deficit in supply. For this reason, significant increases are required in the number of social housing units and the number of properties available in the private rental market. We are starting to see some momentum in the property market. The number of planning permissions and commencements has increased, as has the number of properties coming into the market. The industry is gearing up in a way we have not see for some time. While we must manage this in a sustainable manner, we must also dramatically increase output from approximately 12,500 housing completions in 2015 to a figure of between 30,000 and 40,000 housing units per annum. We are a long way from achieving that target.

The danger is that excessive intervention in the rental market has the potential to undermine the growing appetite to invest in bringing vacant properties back into use and building new properties. At the same time, we must recognise the extraordinary pressures many tenants are under and I accept the arguments that are made in this regard. Nevertheless, I must try to balance intervention with the need to avoid killing off supply, as otherwise we will, year after year, introduce more and more emergency measures to address a lack of supply. In the political debate, we often hear only one side of this argument because there are more people involved and many tenants are under severe pressure from unsustainable rent increases introduced in the past two or three years. We are trying to listen to all perspectives and we will seek to strike the right balance next week. Deputies will have an opportunity to debate the rental strategy after we launch it next week.

Sinn Féin has introduced three housing Bills in recent months and weeks. The Labour Party Bill before us is also comprehensive and focuses solely on protecting and supporting tenants. While this is an important part of what we need to do, it is not the complete picture. We must also introduce supply measures which ensure the growth in the private rental market of the past 20 years can continue. The number of people in the private rental market has doubled in the past two decades and it will probably double again in the next two decades. If we do not meet this accelerated demand by providing new properties, pressure on the system will build. We are trying to reduce this pressure.

We have seen an over-reliance on the private rental market for social housing solutions. For this reason, we must build much more social housing and bring many more vacant properties into social housing use. We will have purchased more than 1,000 properties for this purpose by the end of the year, at a cost of more than €200 million. Almost 4,300 additional social houses will be provided this year through acquisitions, bringing voids back into use and building new social housing. This is a significant increase and more than 17,000 social housing solutions will have been put in place this year, many of them in the private rental market through the housing assistance payment and other provisions.

I look forward to introducing next week what I hope will be viewed by other parties as a reasonable balance in terms of what we are trying to achieve from the point of view of continuing to encourage supply and landlord investment, while at the same time supporting and recognising the pressures many tenants are under.

Deputy Bríd Smith: I welcome the Bill, which proposes some very welcome measures, for example, the implementation of the Kenny report, the imposition of a limit on the cost of land purchased under compulsory purchase orders and the limiting of rent increases to rises in

the consumer price index. I also welcome the proposed change to the definition of “landlord” to include vulture funds and real estate investment trusts, REITS. It is clear the Government and Fianna Fáil Party intend to amend the Bill so as to make it unrecognisable. Whether the proposed measures go far enough is an argument I would like to address.

By any measure, the housing crisis is an historic crisis, which is the outcome of the crash and the political influence of the Fianna Fáil and Fine Gael parties, which were led and influenced for decades by developers, builders and vested interests. It is also the result of the policies pursued by this Government and the previous Government, of which Deputy Jan O’Sullivan and the Labour Party were members. As the crisis unfolded and worsened, what was the response of the Government and its predecessor? The reason we have 140,000 families in housing need-----

Deputy Simon Coveney: The figure is not 140,000.

Deputy Bríd Smith: -----6,000 people on the homeless list, more than 2,000 children in homeless accommodation and countless thousands of people facing the threat of eviction is the policies pursued by Governments.

While it is welcome that Deputy Jan O’Sullivan has introduced a Bill that confronts the rights of property owners, it was not long ago that Deputy Alan Kelly, as the Minister with responsibility for housing in the previous Government, repeatedly assured the House that rent controls could not be introduced because of concerns about their constitutionality. I have just heard Deputy Jan O’Sullivan illustrate very well the reasons Threshold and other reputable organisations will counter this contention. While the Labour Party’s conversion on the road to Damascus is welcome, it is a pity we had to wait until rent increases in Dublin since 2009 had reached 60%, thousands of people faced economic eviction because they cannot afford rent hikes and REITs and other vulture corporate landlords received tax-free windfalls from the misery of thousands of tenants. It is ironic that the Labour Party Bill is finally seeking to implement the Kenny report which, as Deputy Jan O’Sullivan stated, was issued 40 years ago when the State was immersed in corruption and appalling planning scandals. In how many Administrations has the Labour Party been directly involved since the Kenny report was issued? It could have addressed this issue before we reached the worst housing crisis in the history of the State.

The core reason for the crisis is not whether thousands of people cannot pay their rents but the blind faith all Government have shown in the market, both the rental and house-building sectors. Governments view housing as a market issue as opposed to a human rights issue. The core problem is the refusal to fund and build the level of public and social housing required by local authorities. I will highlight the low point of building social and voluntary housing because it contributed directly to the current housing crisis. In 2011, 2012 and 2013, when the Deputy who proposed the Bill was a housing Minister, the number of local authority homes built was 486, 363 and 293, respectively. Even when it was clear that a crisis of tsunami proportions was about to hit the State, the scale of social house-building was limited. During Deputy Alan Kelly’s period in office, the number of local authority housing completions stood at 158 in 2014 and a glorious sum total of 75 in 2015. After five years in office, the Labour Party, which proposed this worthy Bill, had not influenced Government policy to the degree it could have done before the worst housing crisis hit. If it could not influence policy on housing, why did it remain entrenched in government?

Some of the measures proposed are welcome. It is appropriate to counter the nonsensical argument about the inviolable rights of private property. Let us hope the Labour Party’s

conversion to this view is not temporary but marks a full commitment on its part to tackle the root causes of the crisis. Those on the left, Labour Party Deputies and other Members across the House will eventually have to admit that the market is not working and will not provide the most basic rights to citizens. For this reason, full direct State intervention is required to stop the crisis and address the profiteering, feeding frenzy of speculation and tax breaks of the vested interests to which the Minister referred. We need rent controls that go beyond what is proposed in this or previous Bills and can provide relief to tenants who are paying 40% to 50% of their income on rental accommodation. We need to bring rents back to 2011 rates and allow them to reflect the stagnation of wages and earnings in the economy. We need measures that increase the security of tenure for tenants and deal with issues beyond the sale of a dwelling, including the multiplicity of grounds used by landlords to end tenancies.

The Minister referred to it being important that we do not introduce overly interventionist policies in the rental market. There has not been one such intervention in the rental market, which is the reason there has been a 60% increase in rents across Dublin. The Minister also said he was concerned that such measures might kill off supply. There is no supply. What is being killed off is the human right of people to homes while the greed and profits of vulture funds, real estate investment funds, REITs and the landlord market in this country are fed. The people paying for this are those left languishing on the housing lists and in homeless accommodation. At the same time, the Government's Planning and Development (Housing) and Residential Tenancies Bill 2016, to which we will speak further next week, provides for the introduction of fast-track measures which are already causing major problems not only in my community but in many other communities in terms of the withdrawal from communities of halls used as old folks clubs and youth clubs, and the grabbing of lands and parks. This is happening throughout communities in this city. The fast-track approach which the Minister advocates is not to go after landowners, landlords and developers but rather to go after the communities and the facilities they hold.

We are for the building of tens of thousands of local authority houses and not 4,300 this year alone, although in terms of provision that is better than it has been for years. Dramatic and emergency measures need to be taken. What we need from the Minister is emergency housing legislation that goes beyond the market and recognises housing as a human right rather than something from which developers and builders, who caused the crash, should benefit from in terms of investments. When such a Bill comes before the House we will welcome it and put our backs to the wheel to ensure it is implemented. I regret no such Bill is forthcoming.

I welcome the measures provided for in this Bill proposed by Deputy Jan O'Sullivan, albeit they are too little too late.

Deputy Barry Coven: I welcome the opportunity to speak on this Bill which attempts to bring forward compulsory purchase orders, CPOs, for unzoned land for social housing construction, to change the rules determining compensation for local authority CPOs, to introduce rent certainty provisions and to bring forward the vacant site levy by two years.

The Bill proposes to introduce the recommendations of the Kenny report from 1973 and seeks to allow local authorities to issue a CPO to purchase land for 125% of its current value. This is defined as the value of non-development land prior to it being zoned for residential use. This is a bad idea because there is already a great deal of development land zoned for residential use. The area of such lands amounts to 17,434 hectares, which is enough for 414,000 dwellings. There is serviceable land zoned for a potential 116,000 units in Dublin alone. Local

authorities already own huge parcels of serviced and unserviced land. The availability and cost of land is not a barrier to social housing construction in most areas. There is no reason local authorities should waste money buying parcels of non-residentially zoned land when there are already large parcels of such land zoned for residential use. In addition, CPOs are a costly way to buy land for social housing due to their legal complexity. This is not what is recommended by the Kenny report in 1978. It is about how to reclaim some of the dividend that accrues to landowners as a result of intended or actual State investment in services and-or rezoning. This has and is being done through development levies, which were not seen as technically feasible in 1973 and were thought by the authors of the report to be too cumbersome to assess and collect. This Bill, by contrast, attempts to make it cheaper for local authorities to build social housing units on agricultural zoned unserviced land. This makes no sense and would be a costly, needless waste of public money. The Bill displays a startling misunderstanding of planning and the local authority home building process.

With regard to changing the method by which compensation is determined on CPOs for local authorities, the Bill proposes to abolish existing methods for determining compensation for CPO by local authority projects, implementing the idea from the Kenny report 1973 whereby all CPOs would be paid 125% predevelopment value. Currently, the assessment of compensation payable by an acquiring authority is based on 17 rules laid out by statute and by the relevant case law, including the value of land acquired, diminution in value of retained lands, if any; costs resulting from acquisition; disturbance; loss of profits or goodwill; loss or depreciation of stock in trade etc. The aim of a compulsory purchase order should be to leave the affected party, in so far as possible, in the same position as before the property or land was acquired. It follows therefore, that the affected parties should be duly compensated for their loss or disturbance. There is no logical reason why this assessment system, which covers the multitude of circumstances in which CPOs take place, should be replaced by a simplistic rule specifying 125% of the prezoned current value. This would be unimplementable and, without doubt, would breach individuals' rights to fair compensation.

On rent certainty provisions, while stronger rent certainty measures are required, any model must be well thought out and display awareness of the significant disruptions that rent regulations can inflict on the market. Fianna Fáil is on record for over a year now calling for stronger rent certainty measures. Last week, during the course of debate on the Sinn Féin Private Members' business on rent regulations, Fianna Fáil introduced an amendment that would oblige the Minister to introduce new rent certainty measures to the Oireachtas within one month by way of amendment on Committee and Remaining Stages of the Planning and Development (Housing) and Residential Tenancies Bill 2016 which takes place next week or by way of recommendations that could bring about rent certainty. In the absence of Government doing so, we expect that provisions in that regard will be contained in the rental strategy. Failing either of those options being taken by Government, Fianna Fáil will bring forth legislation to implement the rent certainty measures that we believe are necessary. Such rent certainty measures must be subsequent to the consideration of the most appropriate model for rent certainty regulations that is both constitutional and minimises negative affects on rental unit supply.

On the proposal to bring forward the vacant site levy, the 3% vacant site levy is due to take effect in 2019. The Labour Party in government was responsible for setting 2019 as the year in which the levy would commence being charged on vacant residential sites in high demand urban areas. It is now proposing that owners of vacant sites be subject to this levy from 2017. To be subject to the levy, properties will have to be on the vacant site register for one year. That

is the law. As such it is not legally possible to introduce it in 2017. This would be a retrospective application of the law, which is not possible or legally enforceable. They are the four main recommendations of this Bill. I have responded to each of those recommendations and highlighted the reasons Fianna Fáil does not believe they are applicable or necessary. We do not believe they would help to resolve the crisis and have set out the reasons why that is the case.

I commend Deputy Jan O’Sullivan on her effort in bringing forward legislation which she believes would be advantageous in addressing the crisis we are in. Unfortunately, I do not believe what is contained in this Bill will have the effect she desires. I have, therefore, as referred to by Deputy O’Sullivan, tabled a counter-proposal to the Second Reading of this Bill. As I said earlier, I look forward to dealing next week with Committee and Remaining Stages of the Planning and Development (Housing) and Residential Tenancies Bill 2016. I hope the Government will take that opportunity to recognise the will that exists across all sides of the House to bring forward a reputable, appropriate and efficient recent certainty model that can help. It needs to be in place for a sunset period to interfere with what is an abnormal market in order to bring about some sense of normality in the sector.

I know the Minister will receive the help and assistance that is required from those all sides of the House to ensure cross-party support for a model that is appropriate and based on rent certainty regulations. That model should be cognisant of the constitutional aspects. The latter have been lost in some of the debates that have taken place in recent weeks despite people’s best intentions and Members all being on the same side in their desire to have a mechanism that would help.

I put the House on notice that I shall be moving an amendment.

Deputy Eoin Ó Broin: On behalf of Sinn Féin, I am very pleased to be able to support Deputy Jan O’Sullivan’s Bill. As with much of the work many of us have been doing, including the Deputy, this Bill is about trying to increase the supply of social and affordable housing to tackle the acute levels of housing need and homelessness.

The Minister said earlier that the November homelessness figures indicate a drop in the number of people in Dublin who are homeless. The figures have not been published yet so we will have to wait and see. It is important to remember, however, that the figures, published monthly by the Department of Housing, Planning, Community and Local Government, do not include women and children in Tusla-funded domestic violence refuges, nor do they include people in new communities funded through the new communities unit of the Department of Social Protection. They do not include sofa surfers or those at risk of homelessness. Notwithstanding that, I would like to see a drop in the figures whenever they are published. We still have no official State-published figures. That is wrong. It could easily be rectified by the Departments involved.

Increasing the supply of housing is not just about what many of us do in this House. It is also about what we do in our local councils and communities. There are politicians coming into this Chamber demanding increases in social housing but actively blocking them. Alternatively, their councillors are actively blocking social housing projects in this city. That is an absolute disgrace. One is either in favour of it or against it. No matter how difficult some of the decisions are, politicians need to stand up to be counted to ensure that where houses are being proposed, no matter how difficult the associated decisions, the appropriate action is taken. Both the Labour Party, which is behind this Bill, and my party have a track record in this regard. It

is unfortunate that others, including some who have left the Chamber, do not have such a track record.

One aspect of the Bill that is really good is that it opens by drawing on Article 43 of the Constitution. I say this because Article 43 is very often used as a way of not doing something or as an excuse by politicians or the Government not to take action that is required. Despite this, anybody who reads Article 43 knows that private property rights are not unrestricted and that they are conditional on principles of social justice and the common good. This is made very explicit at the start of the Bill, which is very good.

At a meeting of the housing and homelessness committee, Professor Ed Honohan discussed these matters at great length and dismissed and dispelled many of the myths about what is and is not constitutionally possible. Just because something may be constitutionally problematic is not a reason for not doing it. Sometimes forcing the matter into the courts is a way of resolving something that would otherwise be left undone. On that basis, the Minister's arguments for not supporting the changes to the compensation rules for compulsory purchase orders do not hold water.

I listened carefully to Deputy Cowen and simply do not agree with him. In certain local authorities, there are tracts of land that developers are not developing. They are not seeking to sell on the open market. Those tracts could be vital in the provision of further social housing. At this stage, particularly in light of what Article 43 states about the common good and principles of social justice, ensuring that land is not wasted and is brought into productive use to meet the chronic housing needs of many of our citizens is vital.

Thankfully, we are beginning to see some local authorities using compulsory purchase orders. That is good but they are not using them anywhere near enough. What is worse - this is not directly related to the Bill but it is still worth mentioning - is that there are significant numbers of vacant properties that banks, particularly AIB and Permanent TSB, have put on offer to the Housing Agency to be funded by ourselves. Almost 1,000 properties are in this category. In response to a recent parliamentary question asked by Deputy Pearse Doherty, the Minister for Finance, Deputy Noonan, indicated funding for only 200 of those was being forwarded. At some stage, we will need to hear, from the Minister of State or the Minister, why the Housing Agency is turning down 800 much-needed vacant houses that are ready to go, primarily in the city of Dublin.

All the residential tenancies legislation amendments are eminently sensible. None of them is radical. They all propose good things that could and should happen as a matter of urgency. In our constituency clinics, we all deal with tenants whose property has been repossessed by the banks and who get a letter from the receiver. They just do not understand what is going on. In some cases, the property agents acting on behalf of the lenders also do not know what is going on. They simply do not know what the law is, and that is because there is no legal clarity on the matter. Therefore, the relevant amendment would create a considerable amount of certainty for tenants, lenders, receivers and property agents. I see no reason why it could not be accepted or included, if not tonight in a future amendment to the Bill that the Government is currently bringing through the House.

The reference rent index, the 12-month reviews and the CPI index link are all eminently sensible. I listened to Deputy Cowen on a number of occasions say that he understands how well-intentioned we are and that we all put a lot of work into this. Obviously, we all like to be

patronised in that way. If one does not like the detail of the Bill but likes the principle behind it, one should accept it and amend it on Committee Stage. We have all said from the very outset of these debates that there are better ways of proceeding. The difficulty, however, is that increasingly it seems to be the case that Fianna Fáil in its housing policy is saying “Yes” to measures in principle but voting against them on the floor of this House.

Deputy Barry Cowen: Ten-week holiday.

Deputy Eoin Ó Broin: I look forward with great interest to Deputy Cowen’s rent certainty legislation. Unlike him, I believe that if legislation is worth supporting, even if I would like to see some technical changes, I will vote for it if it is the right thing to do, irrespective of how it makes me look politically.

On some of the other changes to the Residential Tenancies Act, including the termination of tenancy on sale, I shall use this opportunity to make an appeal to the Minister of State, Deputy English. There is a Bill that will pass through this House next week, irrespective of what many of us think about many of its provisions. In that Bill, the Minister of State will have an opportunity to do something very similar to what Deputy Jan O’Sullivan is doing here, that is, to provide protection to a significant number of tenants in rented properties at risk of becoming homeless. As the legislation stands, it will provide protection in only 5% of landlord cases. I understand that the Minister is seeking to try to drag this percentage back to where it was originally, perhaps 1% to 1.5%. The vast majority of people who need the protection will not get it. The Government has indicated that it will not support the proposal in front of us today, but I believe it is a proposal that could be amended very simply on Committee Stage next week. I urge the Minister of State to do so.

Let us consider the vacant site levy. *Dublin Inquirer* recently published figures that the State should have published a long time ago, namely, a public record of all the vacant land in the city of Dublin. It publishes the addresses and, where possible, it identifies the owners. There are significant tracts of land just lying there. They are not tracts that developers hard hit by the recession do not have the finance to develop; they are just lying idle. Until such time as there is a penalty attached to land left unused, nothing will change.

I wish to conclude by making a general point in response to the Minister, Deputy Coveney. During all the debates we have had on these issues, we keep hearing about balance and the need to balance the rights of developers with the public interest, and the rights of landlords with the rights of tenants. That would be acceptable if we were starting from a position of equilibrium and if there was balance in the development and private rental sectors. I hear people say we cannot intervene too much in the market, particularly the rental market, but there are currently almost 80,000 properties in the rental market that are subsidised by the State. This represents a massive level of intervention. Under Rebuilding Ireland, the Government is seeking to push that number, which covers rent supplement, RAS and HAP, to somewhere in the region of 140,000. More than one third of all rental tenancies would be subsidised by the State, which is a colossal level of State intervention in the price of private rental properties.

When it comes to defending tenants’ rights, particularly at a time when the yields for investors in the rental sector are not only at historic highs in Ireland, but across the EU, to focus on balance misses the point. The balance is so skewed the other way that a modest Bill like this, which I fully support, would only begin to tip it back in the right direction.

When we refer to balance, what we mean is that the Government is scared, nervous or ideologically opposed to making the kinds of State-led intervention, be it in the use of land, the regulation of the private rental sector or the overall frame of housing policy. Until that changes, we will see no substantial change in people's lives.

There has recently been a series of votes in the Chamber on housing policy. How the Chamber divided has been interesting. On the one hand, Fianna Fáil and Fine Gael are arguing for the same kinds of policy framework that have failed for decades to deliver for people in acute housing need. The rest of us, including Deputy Jan O'Sullivan with her Bill, are urging the Government to break with the failed policy of the past and do something different. It is disappointing that Fianna Fáil and Fine Gael are opposing the Bill, although I am not surprised in the slightest. Until that situation changes, the people whom we are all seeking to help will not be shown the light at the end of the tunnel that they need.

Deputy Joan Burton: Listening to the Deputies, it is obvious that people agree that there is a serious crisis in the building and, in particular, rental sectors. In the case of the latter, there has been a market failure from the point of view of people who aspire to rent at fair market prices but are increasingly unable to do so. We could conduct an historical analysis of why there has been a building crisis, but the recovery in the market has been much slower than anyone anticipated.

The Bill's measures have been proposed by the Labour Party many times, but many are not shared by the Fine Gael or Fianna Fáil parties. Down the decades, those parties have made that clear. We understand the differences, but we are in a crisis, and when one is in a crisis, one cannot allow matters to continue as they have been. One must be willing to address the market failure. Deputy Cowen agrees that there can be sunset clauses and reviews, but there has been a period of intense and deep market failure.

Notwithstanding the fact that the new Government is broadly following programmes and policies that were initiated and agreed by the Labour Party in government, it is failing in its duty to cap rents. We cannot allow a situation in which people at work - in many cases, a working couple - cannot afford their rents or assuage the greed of landlords. I am sorry that the Fine Gael Party is not giving leadership. A landlord can ask for any rent and, somehow or other, salaries must provide, but they will not provide. This is the failure that I mentioned.

Deputy Kelly introduced rent capping measures and the two-year moratorium. It was hard fought for in government. The Minister, Deputy Noonan, made his disagreement known publicly. After difficult discussions, he was persuaded on the moratorium. The two-year period will come to an end around March, though, and Fine Gael does not understand that the train is moving for many people who have dealt with previous rent hikes. I am not even referring to people living in social housing, but to working people. We are delighted to see them working. It is a celebration of the previous Government, which was able to increase the number at work.

I will cite an example that I have raised with the Taoiseach a couple of times. The Minister of State, Deputy English, will be familiar with it. Clonee is just on the Meath edge of the Meath-Dublin border. A statue of Our Lady marks the border. Just over the border, rents become cheaper because they are in Meath, notwithstanding the fact that the Minister of State is into Meath. I know people who have been renting there for €850 per month. Their two-year moratorium will come to an end in March. They are renting a one and a half-room apartment. The Minister of State will be familiar with that type of situation. It is a double room plus a box

room. The box room is small enough for a bit of an office with a computer or a child's bed, and that is it. There is no more space. The people have been renting there for four years, have been good tenants and both are at work, but they have been told that their rent is likely to increase to approximately €1,200. That is not acceptable. No one could stand over it. The landlord has been decent, but landlords have come to know that this is what is expected and is what the Government will allow them to do, namely, to raise rents until the pips squeak.

In the Manor Street area of Dublin 7 on the north side, two-bedroom units are being rented out for €1,800. Those are Hollywood prices. I am not referring to Holywood, County Down, but Hollywood, California. They are not defensible prices for modest, two-bedroom accommodation. People at work cannot afford to pay their rents. I am referring to people who are on moderate incomes, may be at the start of their careers and are also are trying to save enough money to buy a house. Landlords and their agents are being greedy and are exploiting vulnerable people. We must address this situation.

Deputy Bríd Smith made some comments about the Labour Party, but the person who entered the House in 2011 and week in, week out called for rents to be raised was her colleague, Deputy Boyd Barrett. He wanted all caps on rent supplement to be removed. In fairness, Sinn Féin did not clamour for that. Maybe all of his friends are landlords. It is all deep south County Dublin talk. Sometimes, it is a bit different, but when someone clamours again and again for rents to be increased as Deputy Boyd Barrett did, one must ask what was behind that. Rents in 30% of the market, reflected in rent supplement, would be raised.

Deputy Bríd Smith suggested that nothing had happened. While Deputy Jan O'Sullivan was the Minister of State with responsibility for housing and worked with the then Minister, Mr. Phil Hogan, and subsequently when Deputy Kelly was the Minister, 5,000 to 6,000 voided properties were tackled. They were a scandal. I am from Dublin city centre. Members will not believe the rage that I feel when I pass decent flats that have been boarded up and where friends of my parents used to live and that I knew well as a child. I saw the scandal of O'Devaney Gardens, of which I know every stone. It is being boarded up by Dublin City Council and knocked down. My mother's old home was knocked down well over ten years ago. It is such a scandal. The Government must grasp what is happening to the capital city.

In that context, I will address the achievements of Deputies Jan O'Sullivan and Kelly.

6 o'clock

Everyone comes in for criticism, some of it fair and some of it not merited, but it is a very significant development to get 5,000 voided properties that had been lying derelict right around the country back into circulation and to provide them to families. Cork city was another place with an unfortunately high number of voids. The turnaround time in some cases had grown to three years. There must be fairness on the part of Deputy Bríd Smith, whom I am sure is a very fair person, that all of this was achieved at a time when the country was on its knees in terms of the bank collapse. If we are to have a decent discussion on housing we must be honest all around.

I am concerned that I hear hesitation, equivocation and non-engagement in the voice of the Minister for Housing, Planning, Community and Local Government on rent certainty. I have a couple of suggestions, some of which would tie in with what Deputy Cowen suggested. It would be possible to extend the moratorium by one, two or three years and perhaps to modify it

to address what is proposed in the Bill in the context of the consumer price index, CPI. Deputy Cowen was a business man before he became a politician. Landlords could not really balk at the moratorium being extended because they are getting extraordinarily high rents. We could be flexible and then when the market recovers the issue could be looked at again. People must have rent certainty. Some restrictions must be put in place.

The second topic I wish to raise is the €200 million special fund the previous Government allocated for essential infrastructure to allow sites to be developed. I am familiar with various parts of Dublin city and county, in particular my area of Fingal. There is a site for 3,000 houses, which is part of a special development zone and it has full planning permission, but it cannot go ahead until some of the road infrastructure is built. I asked the Taoiseach about it the other day. I am pleased the Minister of State, Deputy Damien English, is present because perhaps he understood what was whispered in the Taoiseach's ear. I do not know if it came out the way he said it to the Taoiseach but what the Taoiseach said was distinctly odd. I said the Government should go to the European Investment Bank and take out a loan to provide the infrastructural fund because the demand around the country is approximately four times the available sum of €200 million. I think everyone who is interested in housing would agree on that. If some councils are gilding the lily a very smart Minister of State such as Deputy Damien English would be able to spot that a mile off. What the Taoiseach said in his reply-----

An Ceann Comhairle: The Deputy's time is up.

Deputy Joan Burton: -----is that: "the Minister of State will make the decision on what sites should be selected. We will not select sites to be opened and then find that no houses have been built". I really want the Minister of State, Deputy English, to explain what the Taoiseach said.

An Ceann Comhairle: We will let him do so now because Deputy Burton's time is up.

Deputy Joan Burton: He said: "Are we going to continue to carpet the entire Dublin region in the same manner for the next 20 years? Should we instead consider the structure and nature of developments we want to see in the next 20 years?" Does that mean a Government dominated by apparently rural interests wants to carpet the countryside but leave Dublin alone?

An Ceann Comhairle: I thank Deputy Burton. We will get an answer for her now.

Deputy Joan Burton: Does the Taoiseach just want all the houses to be in Castlebar? It will not wash.

An Ceann Comhairle: I thank Deputy Burton and call the Minister of State, Deputy Damien English.

Minister of State at the Department of Housing, Planning, Community and Local Government (Deputy Damien English): The Taoiseach certainly did not mean he wanted to carpet the countryside with houses. What he meant was we must consider using more brownfield sites in Dublin for housing, as opposed to continuing to extend cities and towns. He mentioned Dunboyne and Clonee and the fact that rather than continuing to extend them we should develop existing sites. That will be addressed in the replacement spatial strategy up to 2040. It is not a case of putting all of the houses in Castlebar. However, we know from visiting county councils that houses are required in every county. It is not just a problem for Dublin, Cork or Limerick because housing issues arise in every county and they must be addressed. That is the case but

that is not what the Taoiseach was referring to the other day.

Deputy Burton referred to the infrastructure fund and what she said is correct. The 75 applications that have been received total approximately €700 million plus in terms of infrastructure. That does not include all local authorities, as only 21 local authorities have submitted their plans. I am sure there are more to come. It has been a useful process in terms of giving us a view of the amount of infrastructure required. I hope the initial fund of €200 million is only the start. We know that we will need more funding but there are other mechanisms to fund it. The strategic investment fund is interested in funding another phase of this at some stage so there is other money to be got. The Deputy correctly identified European money as well. This is an initial phase to which we have committed in order to get things moving on key sites. A decision will be made in the coming weeks and months based on certain criteria such as sites that can deliver housing. The Taoiseach outlined that it would be illogical for this House to fund a new bridge into a site, for example, for €4 million or €5 million but that the houses would not be built for ten years. Any money spent on infrastructure would be done on the basis that housing on adjacent sites would be quickly provided and at an affordable price. That is the aim of the fund. That was what the Taoiseach was referring to, in case there is any confusion.

The Minister, Deputy Coveney, earlier outlined the Government's absolute commitment to resolving the national housing crisis. That crisis is affecting all parts of the housing sector, including the rental sector. Our approach must therefore be holistic and founded on the realisation that all parts of the housing sector are interlinked and interdependent. The reason there are five pillars in the action plan and 84 actions is because we recognise that joined-up thinking is needed right across the system of government, including local authorities.

It was precisely because of continuing rent increases that the Government introduced a package of rent stability and additional housing supply measures in November. The Residential Tenancies (Amendment) Act 2015 introduced a number of measures to address rising rents. With regard to rent stability, the Act provided that the minimum period between rent reviews for tenancies increased from 12 to 24 months. The provision will apply for a four-year period. That is in reference to decisions made by the then Minister, Deputy Alan Kelly.

In addition, the minimum period of notice of new rents was increased from 28 days to 90 days and longer notice periods for the termination of long-term tenancies were introduced. The extension of the period between rent reviews from 12 months to 24 months takes effect from the date of the last review. If a tenant had a rent review in July 2015, the next review would not be until July 2017.

There is, however, no question but that pressures on the rental market remain driven by rising demand, which is a result of the economic recovery, by a lack of supply and by the high costs that highly indebted landlords face in servicing their loans. These pressures are borne out by the data published by the Residential Tenancies Board and in the *daft.ie* rental reports. Fundamentally, the increases in rent have been driven by a mismatch between the additional demand associated with the very welcome economic recovery and a lack of a corresponding response in supply.

Last night it was claimed in the House that it is not a supply issue and that supply would not guarantee lower rents, but it would. That was the case some years ago when there was an over-supply of housing. Deputy Burton mentioned Dunboyne and I mentioned Kilcock last night. Between 2008 and 2014 one could rent a house for between €700 and €900 because there

was an over-supply but now the rents there are between €1,100 and €1,300. It is about supply and everything we do is designed to increase supply. It is not a question of ideology in terms of rent security. In fairness, Deputy Cowen referred to the issue as well – we do not want to affect supply adversely. A balance is required. I expect Deputy Burton understands the point. We know that at the moment the balance is tipped the other way and people are faced with very high rents but we also want to increase the activity in the rental sector and to get more people to invest in rental properties and to build housing. With the best will in the world we cannot solve the housing crisis with taxpayers' money alone or through social housing. We do need private sector investment as well.

As I said last night the Rebuilding Ireland strategy is about rebuilding capacity in all local authorities to deliver social housing and not to stop at that, but first to build the capacity back up and during that phase to deliver up to 50,000 social houses. A decision can then be made to increase the number thereafter. The intention is that local authorities would be in a position to deliver 10,000 social housing units a year thereafter. People might decide to go further than that, which is fair enough, but one still cannot do it overnight. It will take time to get there and in the meantime we also need increased provision of properties from the private sector that we can use for social housing and also to provide homes for those who do not qualify for social housing. In the rental sector it is a case of getting the balance right so as not to affect supply adversely.

Deputy Brendan Howlin: The Labour Party Bill before the House sets out to address key problems in the housing market. Everybody in this House understands that this is the social issue of our time and everybody is coming forward with solutions - sometimes thinking outside the box and grasping issues that we have been talking about for a very long time. I will make two brief points. In respect of the point the Minister of State made about infrastructure, during all the work we did during the past five years, we were always anxious to tee up in advance schools, health centres and so on so that when the planning came, and sometimes we were doing bundles of them, the groundwork was in place. That is what we are asking for here. The figure of €200 million allocated last year is not enough. We should allocate more money and let the roads be there before the planning for houses is granted. We should ensure the water and sewerage is there so that we can advance provision. There is no point in trying to build bridges, roads or roads after planning permission. That delays it for years.

In respect of a point made by Deputy Cowen, if he reads the Bill, he will see that it is not the Labour Party's position to bring forward the vacant sites levy by two years. The Bill would bring it forward by one year. This was our position in Government but we could not get agreement at that stage. Doing it as quickly as possible is a very important issue.

The history of this State has been marked by the insidious influence of private developers and property crashes. I believe there is a desire to change that. It is then that we need a strong role for the State in housing development and the rental sector. The changes proposed in the Bill will make a substantive change in tackling the housing crisis. Our Bill would tackle the unsustainable rise in the cost of living driven by escalating rents. That has been very clearly articulated by my colleagues on my left. Once again, the Government, along with its Fianna Fáil partners, proposes a delaying amendment, which is profoundly annoying. Everything that seeks to solve a major problem is now faced with an amendment. Is the Government expecting a general election next year because everything is pushed back into 2017, be it waste, water, housing or the Eighth Amendment? It is a case of put in an amendment and kick it further down the road. It is time we grappled with these issues.

There are two fundamental issues in the Bill. One is dealing with what will be an ongoing catastrophic situation caused by unaffordable rents. I spoke today to an individual who is earning €56,000, which is no mean income, who told me he cannot rent a house in Dublin. I spoke yesterday to an ambassador who was talking about companies moving to Ireland post Brexit. The number one question he has been asked is whether companies will be able to find housing for the people who move here. Housing is a critical issue and if we do not control rents, we will have soaring rents that will simply make it unaffordable for the majority of people. The suggestion to link rents to the consumer price index is a sensible way of dealing with that. They are already at an historically high level and already provide a very good return for landlords. I do not buy the line that landlords will not come in and that we will kill off the business. It is a very profitable business, thank you very much, and will remain so but there is a need for decent standards.

The other core issue in the Bill relates to finally tackling the cost of development land. I am as guilty as anybody else in this House. The Kenny report predates any of us coming into this House. It was a solution that was put forward then to ensure that someone would not make an unconscionable killing because they owned land that was simply zoned for development. We have seen people becoming multimillionaires on the basis of a decision by a council to zone land. We cannot go back to that. I do not for one moment buy the notion that this is unconstitutional. What we are proposing in the Bill are simply the proposals put forward by an all-party committee that reported in 2004. This all-party committee on the Constitution considered this in detail in 2004 and it is its recommendation across all views of opinion in the House that this can be done and is constitutional. It is worth noting that the legal adviser to that committee is a current leading member of the Court of Appeal and co-author of Ireland's leading textbook on constitutional law so he might know something about it. I believe these things can be done where there is a will to do them.

The simple reason the Government objects to the Bill is because it is bowing to powerful vested interests in this country who do not want either rents regulated or the price of land controlled in the way we are proposing. It is time for us to do these things. During Leaders' Questions, I listened to the Minister for Housing, Planning, Community and Local Government who was answering questions for the Government. He was passionate about thinking outside the box and doing these things now but when the opportunity arises to make a legislative difference, not a debate or statements, we have these kicking to touch amendments again. The reason put forward in the Government amendment for not accepting this Bill now is that there will be a report next week. Why will there be a report next week in the dying days of this Dáil session? If it is going to be published next Tuesday, it is probably ready now. The notion that we will have no alternative analysis put forward by anybody else this side of Christmas when this is, according to everyone, the critical issue of this Dáil is not embracing the spirit of new politics, which is that everybody's ideas are equally valid. So nobody's ideas are to be considered and certainly not accepted until such time as the Government sets out its stall and it cannot do that until two days before the Dáil adjourns. Will there be time next week for a debate on these matters? I do not know.

I am equally disappointed by the fact that Fianna Fáil wants to kick this to touch. Why is Fianna Fáil afraid to take on this issue? There are those who express concern and wonder why workers seek pay raises and why there is a clamour in the public and private sectors for some sort of pay recovery. It is because they cannot afford to pay the rents that are now being demanded. Certainly in Dublin or any place adjacent to - in fact, in any of our towns or

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cities - the pressure on the ordinary average income earner to pay his or her rent is becoming unsustainable. We must join up the dots and recognise that this issue must be cracked. We can work together. None of the parties that have put forward proposals on this issue claim to be the repository of all wisdom on it. There will be subsets of ideas taken by all. I can go through all the issues but Deputy Jan O'Sullivan has done that far more eloquently than I can. We can deal with the issue of controlling rent, which is the most oppressive weight on so many people thinking about how they are going to work and meet their rents into 2017. This would help to deal with the solution to the problem, which is dealing with the supply side without going back to the unconscionable profits accruing to individuals simply because their land is required for a public good, which is housing. They should be entitled to a modest increase on the nominal face value of it and in that respect a rate of 25% is what was suggested by the all-party committee. That is also what we are suggesting. These are practical real solutions to problems that exist today. Even at this late hour I urge for the Bill to be supported by the Government side of the House and those who give it confidence and supply.

Amendment put.

An Ceann Comhairle: In accordance with Standing Order 70(2), the division is postponed until the weekly division time on Thursday, 15 December 2016.

Messages from Select Committees

An Ceann Comhairle: The Select Committee on Finance, Public Expenditure and Reform, and the Taoiseach has completed its consideration of the Statute Law Revision Bill 2016 and has made amendments thereto.

The Select Committee on Justice and Equality has completed its consideration of the Courts Bill 2016 and has made amendments thereto.

The Dáil adjourned at 6.20 p.m. until 2 p.m. on Tuesday, 13 December 2016.