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DÁIL ÉIREANN

Déardaoin, 13 Iúil 2017

Thursday, 13 July 2017

Chuaigh an Leas-Cheann Comhairle i gceannas ar 10 a.m.

Paidir.

Prayer.

Summer Economic Statement 2017: Statements

Minister for Finance (Deputy Paschal Donohoe): The Government published its annual summer economic statement yesterday. It outlines the broad parameters that will underpin discussions on our economic and fiscal policy over the medium term and the main pillars of this approach. It revolves around six key principles: ensuring sound and sustainable public finances; managing public expenditure carefully; targeted increases in investment; a tax system that is growth friendly and fair; ensuring inclusive growth; and facilitating access to SMEs. The statement also provides an updated assessment of the fiscal space for next year, estimated at €1.2 billion, which is consistent with balancing with our books next year. It provides my best assessment of the framework for discussions over the coming months on budget 2018.

On economic development, the outlook in the statement is set out in the stability programme update. I am greatly encouraged by the pace of expansion, with the preliminary estimate for growth in 2016 at 5.2%. On Friday, the Central Statistics Office will publish the outturn data for last year and the preliminary data for the first quarter of this year. The Department will then update its forecasts in advance of the budget, as is the norm. Growth is now increasingly driven by domestic factors, following an initially export-led recovery as consumer and business confidence recovers. This is important as growth in these areas is jobs and tax rich. The Department of Finance forecasts growth domestic product growth of 4.3% this year and 3.7% next year. From 2019 onwards, gross domestic product is expected to grow broadly in line with the potential growth rate of the economy, with positive contributions from export and domestic demand. In this context, it should be noted that gross domestic product is over-stated as a measure of living standards in the case of the Irish economy. Notwithstanding this point, economic expansion has been very strong in recent years. This growth while vital is a means to an end and not an end in itself. Growth allows us to raise living standards, advance social progress, promote inclusivity and provide better public services.

On the jobs market, we have now had 18 successive quarters of employment growth, representing an increase of over 230,000 jobs since the depth of the crisis. For every ten jobs lost,

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seven have been recovered. The latest data show employment growth accelerated to 3.5% year-on-year in the first quarter of 2017, representing the addition of almost 69,000 jobs. The number of people in employment has exceeded the 2 million mark since the second quarter of 2016. The unemployment rate has fallen. This has been broad based and the return to positive net migration is another sign of the positive momentum in the labour market. By the end of this decade, there will be more people at work in Ireland than ever before. It is important, in these circumstances, that budgetary policy leans against the wind and does not in the future contribute to overheating the economy.

The central element of the conduct of fiscal policy is that we remain on course to achieve our medium-term budgetary objective in 2018. Sustainable public finances are essential for economic growth. We must ensure a sensible budgetary policy in the future. The fiscal architecture under the Stability and Growth Pact provides the framework to facilitate the conduct of fiscal policy in a way that is sensible. Recent developments in the public finances show that, following a very difficult period, the public finances are continuing to improve. General Government deficit targets have been consistently over-achieved to date. This strategy has been implemented through a careful approach to fiscal and expenditure policy. The latest Exchequer returns for 2017 are very positive. Following a slightly disappointing performance in the first quarter of 2017, tax receipts have stabilised and cumulative receipts deliver a 4% improvement in comparison with a year ago. We are now well positioned to deliver an overall tax target of €50.6 billion, the highest in the State's history.

The pre-crisis period saw very large increases in expenditure. While these increases helped address important deficits and provided the resources for significant improvements, a difficult consolidation period followed and over the past three years budgetary policy in relation to expenditure has been careful and sensible, averaging 3% per annum below the nominal growth in the economy. This approach is necessary to avoid the need for future intolerable cutbacks that can be disruptive and damaging to our society. We must make choices. I will shortly publish two documents, the comprehensive spending review and the mid-year expenditure report, which will underpin this approach. Total voted expenditure for next year will be approximately €60 billion. The spending review must examine how we can make better progress in careful use of resources. Investing in capital infrastructure is clearly a important way in which we will do this. Capital spending will be up 17% next year, 24% in 2019 and 85% in 2021 relative to 2016 levels. We will follow this work by the publication of a ten-year capital plan to lay out the clear choices in mapping out how Government intends to ensure that our public capital infrastructure will be of good quality for the future.

Turning to the fiscal outlook, a general Government deficit of 0.4% of GDP is projected for this year. I confirm that we will achieve our medium-term budgetary objective, which is a structural deficit of 0.5% of GDP next year, but it is my clear view that in the future we need to focus on our fiscal stance, and not just on our fiscal space. We have to ensure that budgetary policy is appropriate in supporting sound macroeconomic conditions and helping our economy grow in the long run.

We must be conscious of our overall debt levels that, while below the European Union average, are still of a level that could cause difficulty in the future and need to be managed carefully. To strike a new balance in how we manage this, I have decided to amend our previous debt-to-national-income ratio of 45% of GDP to 55% of GDP to deliver additional medium-term flexibility to look at how we can increase capital expenditure that would increase the ability of the economy to grow in a sustainable manner in the future. When we have completed significant

projects, the Government can recommit and re-target a longer-term objective debt ratio of 45%. I am clear that the medium-term approach of 55% is the sensible and sustainable approach for our economy.

We must be conscious of the external environment in which Ireland operates. A rainy day fund was announced by the Government as part of the summer economic statement 2016. In this context, the Government will set up and maintain this rainy day fund, but with an annual contribution of €500 million per annum. This is half the size of the contribution originally envisaged, with the difference being used to finance capital investment.

The additional allocations will be subject to an assessment of the capacity of the economy to absorb the additional funding at each point in time. It is clear that the volatility of the economy can be pronounced. The rainy day fund will provide a sensible counter-cyclical buffer, with annual transfers from the Exchequer to the rainy day fund helping to mitigate against the ups and downs of the economic cycle. The Government will also reassess the role of the Ireland Strategic Investment Fund, ISIF, which was established at a time when private investment was constrained, and consider whether an element of the ISIF should be reoriented towards complementing the rainy day fund, as I have just described.

Turning to the issue of fiscal space, the statement sets out that the estimated indicative net fiscal space over the period 2017 to 2021, inclusive, is over €11.2 billion. I emphasise that the net fiscal space is the amount that remains after providing for pre-committed policies in the area of capital expenditure dealing with the consequences of demographics for our society. For next year, my Department estimates that net fiscal space amounting to €1.2 billion would be consistent with delivering a balanced budget. Of this, approximately €700 million will be absorbed by the full-year cost of measures implemented this year. Without any other change in our policies, this would leave just over €500 million for new measures. This leads back to the earlier point I made that, at overall public spending of over €60 billion next year, it is now crucial that we focus on the totality of expenditure and not just incremental changes.

As our recovery is now entering a more mature phase, we must broaden the definition of economic success for the future. We must recognise that success will be incremental, and that additional and existing resources we are providing are already yielding benefits. The results will not be instant, but we must keep at reform and at providing additional resources.

Deputy Eugene Murphy: Can we get a copy of the Minister's speech?

An Leas-Cheann Comhairle: I have requested that.

Deputy Paschal Donohoe: It is important that the fruits of economic recovery are spread as evenly as possible and while the short-term economic prospects are positive, a continuation of robust growth can never be taken for granted. We must not lose sight of both our risks and opportunities and the budgetary framework I have outlined aims to strike that balance.

Deputy Michael McGrath: I am pleased to have the opportunity to contribute to this debate this morning. I welcome the fact that we now have a summer economic statement, which is only a recent development. The introduction of the summer economic statement is one of the reforms to the budgetary process that has occurred. From the point of view of Parliament's engagement with the budget process, the delay in setting up the Parliamentary Budget Office has been a major disappointment. Only yesterday, a director of this new Parliamentary Budget Office was announced and I wish Ms Annette Connolly every success in her new role. The office

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is still not up and running and this is the second budget of the Government where the promised office has not been in place.

The outlook for the economy is positive. On the various metrics, from GDP growth and the public finances to employment trends, the prospects appear positive. However, significant risks remain for the economy and we ignore these at our peril. The great unknown that remains Brexit and the uncertainty about US corporation tax and investment policy represent massive, unquantifiable challenges for an open economy like ours.

On the potential impact of Brexit, the summer economic statement is stark, as was the Department of Finance's own sectoral assessment on the issue. The agrifood sector is of particular importance in this regard. We are now moving into a prolonged period of a depreciated pound against the euro. This will inevitably affect business in Ireland, most notably with the agrifood sector, but also tourism and many other sectors. From a budgetary perspective, we need to be constantly aware of the fluidity of the Brexit situation and the assumptions we make now may not hold in a few months' time, not to mind in 2019 when the UK finally exits the European Union.

Other key challenges remain aside from Brexit. We have massive demographic shifts approaching us in the coming decades and those are already apparent. The expected larger and ageing population will bring inevitable financial pressures on areas such as health and social protection. We have the ongoing pension coverage issue with the majority of private sector employees still without a private pension. This will have to be addressed.

Along with my colleague, Deputy Dara Calleary, I look forward to engaging with the Minister, Deputy Donohoe, in the lead up to the budget in October. I had a good working relationship with the previous Minister for Finance, Deputy Noonan, and I hope we can continue in the same spirit with the current Minister.

Under the confidence and supply agreement, it was agreed to commit to meeting in full the domestic and EU fiscal rules. According to the summer economic statement published yesterday, we are on course to reach a balanced budget on structural terms next year. My party welcomes this, but it should not go unsaid that the Government breached the fiscal rules in 2016 and plans to do so again this year. In 2017, the Government's fiscal plan involves breaking both the expenditure benchmark and the structural deficit rules. In the case of the expenditure benchmark, the projected breach is €450 million, which is marginally below what the European Commission would regard as a significant deviation from the rules. It is confirmed from the summer economic statement that the target of 45% debt to GDP by 2025 announced in the previous budget has effectively been abandoned, at least for the foreseeable future.

It is because of the risks facing our economy that we support the establishment of a rainy day fund, however unfashionable it may have become in this House to support such a fund, and I am pleased that the confidence and supply commitment in this regard is being honoured. My party will work with all stakeholders now on the modalities of how such a fund will be established and how it will work in practice, which is a critical issue. The essential purpose of such a fund, from our perspective, is to avoid a situation where a future Government has to immediately increase taxes and cut spending when faced with a downturn in the economy which will come at some point.

It is again a priority for Fianna Fáil that the forthcoming budget provides for a split of

available resources at a ratio of at least 2:1 in favour of expenditure and investment in public services over tax reductions. The confidence-and-supply agreement ensured that budget 2017 was the first progressive budget in many years and it is a priority for Fianna Fáil that this trend will continue. While the fiscal space is extremely limited by the carry-over effects of the previous budget and the possible extension of the Lansdowne Road agreement, we must continue to invest in the public services on which people rely on a day-to-day basis.

Housing must form a key part of the budget. The housing crisis is a human tragedy for thousands upon thousands of our citizens. It is also now a major economic problem.

It is now clear that the Government no longer plans to entirely phase out the universal social charge, USC. This was never achievable or desirable. The confidence-and-supply agreement clearly states that reductions in the USC should place an emphasis on low and middle-income levels. These income levels relate to people who have yet to feel the full benefit of the economic recovery outlined in the figures contained in the summer economic statement. This really puts substance on the term “a progressive budget”. It is not just an economic phrase, it means helping those who have not benefited from the economic recovery in a meaningful and tangible way. The proposal to amalgamate the USC with PRSI raises many questions, not least in terms of what it means for a wide range of social welfare benefits. To date, we have seen no paper from Government on the proposal.

The commitment we secured to retain mortgage interest relief for existing recipients is a priority for our party and must be honoured in this budget. Mortgage interest relief is currently due to end completely for up to 400,000 existing recipients at the end of this year.

In order to grow the economy, there must be an environment that rewards initiative and enterprise. We urge the Government to improve the taxation environment for entrepreneurs and small and medium enterprises while remaining steadfast in respect of our commitment to the 12.5% corporation tax rate. Fianna Fáil recognises that this may not all be achievable in one budget but with Brexit on the way, we need to safeguard the country’s competitiveness. We need to fulfil the commitment to introduce a new share-based remuneration scheme. The Government should reject and, if necessary veto any plans from the European Commission to introduce a form of common consolidated corporate tax base. It would be enormously negative for the State if that were to be introduced. The Minister has received a report from the independent expert, Mr. Seamus Coffey, on our corporation tax system. It should be published without delay in order that it can be given careful consideration over the summer break.

The risks facing the economy are clearly outlined in the summer economic statement. Chief among these is Brexit. In order to come to terms with these risks, sufficient investment in capital expenditure is needed. Listening to media reports in recent weeks, one might be convinced that capital investment is a Fine Gael idea. However, when one looks at the evidence, nothing could be further from the truth. In the summer economic statement, the Government has outlined how it wishes to reduce the amount invested in the rainy day fund from 2019 and invest the difference in capital expenditure. It is welcome that the Government has finally realised that we have a capital deficit crisis that restricts economic growth. The broadband plan seems to be going nowhere and has been delayed time and time again, and there is still an extensive problem with regional development. The Government announcements in the summer economic statement are not radical. It has again not fully explored the alternative methods of funding projects in Ireland. The NTMA has clearly indicated in its recent annual report that in the context of the low-interest environment, public private partnerships, PPPs, are a useful method for dealing

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with the infrastructural issues of the State. The Government has a self-imposed rule whereby no more than 10% of capital expenditure in one year can be spent on PPPs. In the context of the opinions expressed by the NTMA and the European Investment Bank, this rule is overly conservative and needs to be reviewed. Fianna Fáil welcomes the assessment that is now under way. By mobilising funding on the ground from both public and private sources, further investment can be attracted from the European Investment Fund. This is being inhibited by the restriction on PPPs. The Ireland Strategic Investment Fund, ISIF, has approximately €6.3 billion invested in its global portfolio in debt and equity instruments all over the world but not in Ireland. The ISIF is in the process of redirecting this funding on a commercial basis to the real economy in Ireland. This needs to be accelerated and could make a far greater impact than redirecting €500 million from the rainy day fund from 2019 onwards. The ISIF can invest in areas such as broadband provision, renewable energy and education. The model used in Dublin Institute of Technology needs to be replicated throughout the economy. By utilising these avenues, the Government would not have to raid the rainy day fund before it is even established. I reiterate that investment in capital expenditure is not a radical Government initiative. Fianna Fáil and others have long been calling for such investment.

In summary, the Irish economy is in a strong position but, as the summer economic statement makes clear, we are in very uncertain waters. For this reason, the right balance has to be struck in managing the public finances in a prudent manner and meeting the investment needs of the economy. In the months ahead, Fianna Fáil looks forward to making its contribution to how budget 2018 can contribute to achieving this objective.

Deputy Pearse Doherty: Sa deireadh thiar thall, tá ráiteas eacnamaíoch an tsamhraidh os ár gcomhair. Dá mbeadh sé curtha ar athló níos faide, ní bheadh muid ábalta “an tsamhraidh” a úsáid sa teideal. Tá sé againn, áfach, ar scor ar bith.

After much delay, the latest set-piece in the ongoing Fine Gael plan to tell us how well everything is going and how it is managing the economy in such great ways was revealed yesterday. There is little new information contained in the summer economic statement. Rather, it is mainly a reconfirmation of what was already known. Areas on which Sinn Féin would have liked specific detail, such as the public sector pay agreement and its impact on fiscal space, water charges and other outstanding matters, were not included. We did not need a glossy publication and the Minister appearing on national radio to remind people that the Government missed an opportunity in last year’s budget and that not only did it spend that budget but also committed over half of this year’s budget, thus leaving little spending room to address some of the serious deficiencies and pressure points in the economy. While one can discuss figures of €60 billion or €1.2 billion of net fiscal space, the reality is that, depending on the outcome of the ballot by public sector unions, between €300 million and €350 million is available for new spending.

We do not need this debate to recall that in last year’s budget the Government prioritised tax cuts, many of which were to the economic benefit of the wealthier in society. It has become clear in recent days that the Government underestimated how much those tax cuts would cost. People do not need reminding that the EU fiscal rules, which were cheered and championed by Fine Gael, Fianna Fáil and the Labour Party, have restricted our ability to invest in the economy and left us with the figures contained in the summer economic statement. Those figures indicate that we will only be able to invest between €300 million and €350 million in an economy that has been starved of investment for years and that now, when money and the ability to borrow at low interest rates are available, the rules say that we must wait until certain arbitrary figures

are reached.

There has been much recent discussion about capital infrastructure and capital investment. The one common thread between the Fianna Fáil Government, the Fine Gael-Labour Government and the Fine Gael-Independents Government is that each substantially reduced capital spending and there has only recently been an increase in capital spending. That increase is to be welcomed.

Our economy and society face massive challenges from Brexit and US tax plans. The potentially serious impact of the Trump tax plan has not been discussed in the House. It could have a particularly dramatic impact if the border adjustment tax is put in place. It is a matter of concern that several of the largest foreign direct investment, FDI, companies located in Ireland, which pay a substantial portion of the corporation tax income that the State receives, are supporting, arguing and lobbying for the border adjustment tax. That can only have a negative impact on Ireland in terms of our taxation receipts and employment opportunities. That risk needs to be debated and teased out a little more in the House to deal with how we can mitigate such a position if it were to happen.

I recognise there are positive aspects to the statement. The net debt ratio is falling even outside the distortion of last year's growth in the economy. The economy itself is growing, unemployment is falling and bond yields remain low. We have caught a lucky wind in some regards but those facts are welcome nonetheless. However, the entire story of an economy or a society is not just told through economic statistics. There were 357 people on trollies or crammed into wards earlier this week; 2,777 children were in emergency accommodation in the second quarter; 91,600 households were on local authority waiting lists; and there were 484,346 number of people on hospital lists with more than 51,000 waiting for more than 18 months. In a country our size, those figures are not reflective of a wealthy, prosperous society.

The reasons I outline these figures is that we need, as a House, to address these demands in the upcoming budget, yet the Government is wedded to the idea that we have to use one third of the available fiscal space for tax cuts. I do not know who presents to the Minister's constituency office or, indeed, to Fianna Fáil constituency offices and who dictates this policy in the confidence and supply agreement but nobody is coming to my offices to tell me that they want income tax cuts. My offices are crammed with people telling me that they cannot get a hospital appointment, they are under severe pressure because of mortgage distress, they cannot get social housing, the cost of education is crippling them, particularly as they approach the autumn, or they want to set up businesses in rural Ireland but they cannot because the mobile telephone network is not even up to standard, never mind the fact that there is no broadband. These are the concerns I hear about all the time. Perhaps people are queuing up to tell the Minister that they want a tax cut but that is not reflective of society. I believe there is a decency in the Irish people and they want the State to address the trolley and housing and homelessness crises.

Sinn Féin is clear, therefore, that there is no space whatsoever for net tax cuts in the upcoming budget. We need to examine how we can increase the amount that can be invested in the areas I mentioned, including in our health system and our infrastructure. They are ways that can be done through discretionary measures, which I will outline in our alternative costed budget. I hope all parties will do this. I single out Fianna Fáil in this regard because last year the party did not produce an alternative budget. It is easy for the party to stand in opposition and say it wants investment in this and that and wants the housing and health crises sorted out and so on by tabling Private Members' motions, but it has put its money on paper and say what it would

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do. Sinn Féin has stood apart from some parties by outlining what we would do in government on paper and I hope other parties will do the same. Betting duty could be increased and the help-to-buy scheme, which has had nothing but a negative consequence for house prices, could be scrapped. That would increase the fiscal space by €40 million. The Minister could introduce a sugar tax. All these measures combined would bring hundreds of million of euro into play, which could be used to invest in society.

Nothing illustrates the way the Government is making up policy on the hoof better than its U-turn on the USC. I welcome the fact that the Government has decided not to abolish the charge. I would like to hear from Fianna Fáil that it will abandon its proposal to abolish 90% of the USC and from the Labour Party, which plans something similar.

Deputy Brendan Howlin: Not so.

Deputy Pearse Doherty: Up until now, we have not heard from those parties that they are turning their backs on these proposals. None of them, which would have taken between €3 billion and €4 billion out of the economy, was realistic. There were populist nonsense that could never have been delivered. Sinn Féin took a risk in the general election campaign when we told people we would not cut their taxes because we believed we needed the money to invest in the pressure points in our society. I welcome the Government's U-turn but how it happened is an area of concern. We have the programme for Government and then we have what the Taoiseach said to help him get elected. He told us that he would not abolish the USC, that there would be a new debt-to-GDP target, that he would merge USC with PRSI, and the rainy day fund would not be established. Is economic policy, therefore, being developed on the back of the Fine Gael leadership contest? It seems that is how many of these U-turns have come about.

The rainy day fund is not a good idea at this point in time. We need to get to an Exchequer surplus, which would mean a contingency. Tell the people on hospital trolleys this morning that it is not raining; it is pouring and it has been pouring on their heads for many months and, indeed, years. Tell the families who are raising their families in hotel rooms that it is not raining; of course, it is. Tell people who are trying to get out of rental accommodation and on to the property ladder by purchasing their first house but who cannot do so because there is a lack of supply that it is not raining. God help this country if we face an economic downturn and the Government has not addressed the crises in housing and health. If we have to cut expenditure at some point in the future without having addressed these crises, we will be in no shape to do so. Given the finances available, it must be ensured every resource is invested in those areas to make sure our country is in a robust position to face any challenges that we meet in the future.

Deputy Brendan Howlin: I also welcome the opportunity to contribute to the debate on what is now the summer economic statement. Members will recall that this originally was the spring economic statement. In government, Deputy Noonan and I determined we should have a spring economic statement to change the way the budget was done. The idea was that we would put all the economic data from the spring on the table in April in advance of the national economic dialogue, which we also established, in order that all the economic players - politicians, employers, the trade union movement, farmers, and social actors - would be able to debate real expenditure and what was available with real choices. It was to be paralleled with the comprehensive reviews of expenditure. The Minister will recall that we conducted two of those during our time in government. This statement would address the total fiscal space, the options to increase that by either additional taxation or reduced expenditure, rebalancing expenditure within it and, as the new Taoiseach said, to have a look not only at the margins but at the totality

of expenditure because the notion that what we spend every cent on now is taken for granted and all we are talking about is the marginal additionality should not be the way. That sort of open debate was to happen and it was the centrepiece of new politics.

I went on the Dáil reform committee and the first and most important issue, championed by Fianna Fáil, was that we would do the budget in a different way. We were to have a budget oversight committee and budget oversight office to robustly test and cost proposals from individual parties or Members and to give real capacity to the House to analyse expenditure profiles from the Departments of Public Expenditure and Reform and Finance because, for many people, these tables are difficult and impenetrable, and I spent five years going through them. As I was advised on my first day preparing a budget, the sums only have to add up on the day they are presented. By definition, they will not add up the day before or the day after because one is on a moving field. They only have to be right and perfectly accurate on the day they are published.

To put it bluntly, however, all of this new politics has come to nought. We had the national economic dialogue in a vacuum. We are now back to the old way of doing things, where everybody has a wish list about what they would like to do as opposed to having a framework in which we should operate this year in this budget or having an expenditure review to show the profile expenditure in every area and what are the real policy choices we want to make to do that. It really is disappointing that we are not having a real debate on real options. For all the pretence of it, we are actually doing things the old way.

The Holy Grail from the start of the economic crisis was to reduce our debt and annual deficit. We could not have a deficit greater than 3% of gross domestic product, GDP, and we had to reduce our national debt to 60% of GDP. We worked might and main to achieve all of that. When there was a distortion in GDP last year by the onshoring of corporate taxes and profits and because it suddenly became an advantage to us, that Holy Grail, that unmovable target, was no longer the relevant target. If there was an advantage to the State and the taxpayer, suddenly that was not to be seized upon because somehow it was a distortion. The collapse was not a distortion, but this was.

If one looks at how we tackle debt, from 1980 to 2016, the average level of debt was 72% of GDP. How was the historical low debt, prior to the economic collapse, of 22% of GDP achieved? It was not achieved by paying off the debt but by growing the economy, meaning the debt was actually much less significant. Most debt is never paid off but rolled over. Its impact is lessened by growing an economy and, therefore, the actual cost of the debt is reduced while the impact of the interest rates is minuscule. If one looks at developed economies and their level of debt, our actual debt - some would say it was falsified last year because of an inflated GDP - is 75% of GDP. The average rate of debt from 1980 was 73%. We really do have to have a better sort of argument about dealing with these issues.

As the Minister knows, I became nerdy about reading tables over the past several years. In Table 2, impact of budget 2017 on available fiscal space, it states in bold that it relates to the remaining nominal resources for 2018. The Departments of Public Expenditure and Reform, and Finance are telling us these are the available resources for us to determine as a democratic assembly next year. The table states we have €140 million to increase current expenditure, €180 million to increase capital expenditure and €220 million to reduce taxes, giving us a total fiscal space of €530 million. The Minister knows that is not true. He profiled additional current expenditure of €140 million when he knows the extension of the Lansdowne Road agreement

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alone will cost an additional €180 million. Accordingly, all the current expenditure he profiled, plus another €40 million on top of that, will have to be found before we make any decisions.

I know, for example, we spent an additional €920 million this year on health. The average for the past several years has been €500 million. The Minister, however, has not allocated anything to that. Is the assumption that there should be nothing additional for the health budget? Are there to be no additional social welfare payments next year? Of course, they will happen because, like last year, between now and our debate on these real facts and the presentation of the budget, the fiscal space will increase. Last year the spring or the summer economic statement - I get confused with the seasons - also suggested a fiscal space which we debated here. Between then and the presentation of the budget, the fiscal space had grown by €750 million, €500 million prior to the budget and another €250 million in the days leading up to the budget. The reality is that we do not have meaningful discussions of the true facts.

I am a passionate believer that we should spend more on public services now. We cannot afford the sort of €220 million the Government is allocating in tax reductions. That is not possible but we can debate those when we see the actual figures. I would be happy to debate the Labour Party's plans on the universal social charge. We did not shout about it too much as it was a no-cost measure because we were clawing back at the top what we were giving to the bottom. The net cost was in the order of €70 million in our budget package. We did not trumpet that because it looked like a threadbare measure and we had increased other taxes to a greater degree. The overall Labour Party platform is not to reduce taxes but to expend on public expenditure.

These are the issues we need to debate in an open fashion in this Chamber. We must fight, not on a point-scoring basis, but on the basis that these are the options open to us in real terms. We cannot argue with tables that are demonstrably misleading because the Minister does not have €140 million of non-allocated current expenditure available. He can play a game of suggesting that the €180 million for the Lansdowne Road agreement extension has not been voted yet, meaning it is not a real call. No one budgets on that basis. We have an expectation - in the Minister's case, a real hope - that the Lansdowne Road agreement extension will be supported. It will cost €180 million and we will have to provide for it if we are going to look at what else is at our disposal to do this work. I look forward to real and meaningful debates in the future rather than ten-minute statements on, to put it bluntly, an incomplete and inaccurate document.

Deputy Richard Boyd Barrett: I wish to share time with Deputy Barry.

An Leas-Cheann Comhairle: Is that agreed? Agreed.

Deputy Richard Boyd Barrett: In the face of the worst housing and homelessness crisis in the history of the State, an absolute disaster in the public health service, a chronically under-resourced education system and a crisis in our infrastructure on a whole range of levels, this economic statement is pathetic. It does not even get close to providing the resources and the investment necessary to deal with the dire problems our society and economy are facing.

In the name of economic prudence and stability, the Minister, and Fianna Fáil before him, sacrificed the people. The human and social hardship of that is well known in homelessness, poverty, deprivation, people waiting years in pain for vital operations, as well as children with special needs not being able to get assessments, a crisis that rolls on even when they have passed the legal requirement to have those assessments made. At all sorts of levels, human be-

ings are suffering.

Even in the Minister's own narrow terms of economics, the chickens are coming home to roost, however. The social pain and sacrifice that the Minister inflicted on human beings are causing even the Government a major economic problem. The Government cannot get the workers to stay in the country to employ them in the health service, even though it is trying to recruit them, because it slashed their pay and because it cannot provide an affordable roof over their heads. The Government cannot provide for the housing needs of citizens now, and there is no prospect of it being able to do so in the future with the level of investment going into housing.

The chickens will come home to roost in education when the quality of our education is being degraded by a lack of investment and the high pupil-teacher ratio. There is also the wider infrastructure of public transport, broadband and renewable energy resources that could reduce the cost of energy in this country. Against this background, the famous fiscal space of €500 million is pathetic. It just does not go anywhere near what is needed. This means all those crises that are not just a social problem but an economic problem are going to get worse and the Government will be in serious trouble in a few years, as if it is not bad enough for large numbers of citizens as we speak.

The Minister will respond to all this by saying it is easy to criticise, but what is the alternative, we do not have the money and this is the best we can do. We seriously need to start having an honest debate about this. The elephant in the room of the Irish economic story is that during all of those years when human beings were suffering, profits went through the roof.

Deputy Mick Barry: Through the roof.

Deputy Richard Boyd Barrett: This is the story that is not being told. They went through the roof to astonishing levels. In 2011, gross trading profits were €73 billion. Does the Minister know what they were in 2015, according to latest figures from Revenue? They were €144 billion. Is that not extraordinary? How much tax was paid on that €144 billion in 2015? It was €6 billion on €144 billion pre-tax profit, before all of the allowances, deductions and loopholes that allow them to write down their tax liability, including managerial expenses and research and development tax credits, so they end up paying nothing. In the case of the banks, it was literally nothing. In the case of the vulture funds that gobbled up all the property the Government gave to them, it was literally nothing. They pay 5% and not 12% or 12.5% tax. What about the 1,330 individuals in this country who have more than €20 million to €50 million each, which jumped 6.4% last year? The Government will not talk about taxing them or financial transactions. What about €6 billion in debt repayments we will make this year, which add up to 14% of Government revenue? These are the elephants in the room. If the Minister tapped these resources we would have the money to deal with the social crisis and the economic crisis being faced by the State.

Deputy Mick Barry: The points raised by Deputy Boyd Barrett are entirely right. It is a con job to state this is the fiscal space and we have €500 million for next year. The eyes are diverted over to this and it is designed in order that people will not see on the other side of the room the potential €13 billion to €19 billion from Apple and other sources of wealth the Deputy has identified. The failure to tax wealth in this country means that next year, according to this statement, Ireland will have the lowest public spend as a percentage of GDP in all the European Union. We have a total of 26% for this State, with an EU average of 44%. If it was 44% in this

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State, on the basis of taxing wealth, there would be an extra €53 billion. This is the gap between Ireland and the European average as a result of the policies pursued by the Government.

There is another con trick in the Minister's speech. He spoke about long-term capital investment. How many times is it mentioned? What about capital investment for next year? If we take gross fixed capital formation, the extra capital spend next year will be €190 million. Does the Minister know what he can get for €190 million? He can get 1,000 houses. I listened to the Taoiseach in his acceptance speech in the Dáil three weeks ago speak about taking an initiative to build more local authority houses. The Government is setting aside enough for 1,000 houses even if it spends on nothing else. If he contrasts this with the report we had from NUI Maynooth during the week, which predicted the housing crisis has not even peaked in this country, the Minister will see how inadequate and pathetic these proposals are.

I will make two specific points on the questions of privatisation and water charge refunds. On the question of privatisation, these policies are a recipe for privatisation on a big scale. At the weekend, the Minister of State with responsibility for older people, Deputy Jim Daly, told *The Sunday Business Post* that people should pay for home help if they can afford it. He said many people would be quite happy to make a contribution to the scheme. Of course, the Minister of State ignored that people already make a contribution to the scheme. It is called the taxes they paid during the course of their working lives. Everyone knows if a threshold is set and people above that are asked to pay for home help services, that threshold can and will be lowered over time, and more people will come into the net. Private home help companies have a strong foothold in the State, not just under Fine Gael-led Governments but also under Fianna Fáil-led Governments. They are in it for the money and the maximum profit. If the Government starts charging for home help services, it will be a gateway to upping the ante in a serious way for the privatisation of home help services in this country. There is €375 million a year invested in it and 4,000 on the waiting lists. The way to clear the waiting lists is to increase the public spend. It is a medium to long-term saving and far cheaper than having people in nursing homes.

On the question of water charges and refunds, where is the water services Bill? We were promised the water services Bill before the summer. The Bill was meant to abolish water charges and it was meant to go through the House by the summer period, but it has been kicked back to the autumn. Why is this? Is it because of the spat between Fianna Fáil and Fine Gael over the appointment of the judge several weeks ago, and they do not want any more spats trying to put the thing to bed? Where is the refund for the people who paid, in many cases under duress? Where is the refund for them in the budget this year? It is an interesting point that the people who led the campaign of mass non-payment, and who have secured a de facto amnesty for those who did not pay, are the people in the House now pushing the hardest for those who paid under duress to get their refunds.

Deputy Maureen O'Sullivan: Tá cúpla rud le rá agam sa díospóireacht seo. I notice some of the terms and the phrases used in the summer economic statement include that the Irish economy is growing at a healthy pace, an economic recovery, raising living standards and that the public finances are in better shape. All this can be acknowledged, provided what is in the speech matches the reality in our constituencies, regardless of whether they are urban or rural. All too often, the replies to parliamentary questions will give the theory of what is supposed to be there, but the reality does not match. This is where the difficulty lies between officialdom and real lives. I hope the phrases translate into a better life for people.

The economic statement also acknowledges significant sacrifices were made by Irish people, but we all know the sacrifices were not proportionate and sections of society were not unduly aware there was a recession going on while other sections suffered considerably. We know the effects of the budget cuts certainly on parts of our constituencies. When the Minister said in his statement he wants to spread the fruits of recovery more widely, I hope it will be a reality and not just a paper phrase.

It is disappointing that even though a commitment was made on a budgetary office, it has not realised reality just yet. There had been a plan for the Oireachtas committees to have more of an impact on the budget for Departments, but we have not seen this yet. There is also the need, which some of us come back to year after year, for equality proofing and social impact analysis of decisions before their implementation.

11 o'clock

Those three factors - the budgetary office, greater involvement by committees and equality proofing - would make a real difference.

We know that housing supply does not match demand and there is over-reliance on the private rental sector. We hear so much about what will happen, what will be built and what vacant sites will be brought back into use but we see the impact of the lack of social and affordable housing. While I acknowledge there is some movement, with individuals and families coming off the housing list, as they are coming off it there are others going on. Some of those coming on are pushing those already on the list further down. We are seeing a great level of private house building. There is one new development on the north side in respect of which there seems to be no problem selling four-bedroom houses for €750,000.

As the Minister knows, we see how quickly student accommodation is being built, especially in Dublin. We do not witness the same urgency and speed when it comes to social accommodation, however. Students need the accommodation for perhaps eight months of the year so during the remaining four months there is massive profit-making potential, be it through Airbnb or other types of accommodation for those coming to Dublin or other cities for concerts, conventions and sports events.

One of the groups most affected, which is further down the pecking order on the housing list, comprises single individuals, particularly men. I do not understand why, with all the student accommodation, a small number of units could not have been included for those single individuals.

The co-operative housing scheme recently opened in Ballymun was extremely positive. I recognise the kind of work that Habitat for Humanity does with couples and families whereby they take over housing in need of repair and work together to bring it back into use.

I read some of the task force report on equality in Ireland. It highlights disturbing trends. It considers the underlying distribution of income. It stated it was imperative that there be no further erosion in real terms of middle-income earners' salaries and wages and that low incomes be raised to the level of a living wage. The statistics show there is a relatively high proportion of those at work on low earnings. I was struck by the quotation, "[I]f we continue on the current path of maintaining a low tax regime, of subsidising low pay, and landlords and developers to provide homes via the market, we are sowing the seeds of ever deeper disenchantment with our political system [and exacerbating inequality]".

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I acknowledge the uncertainty associated with what lies ahead, particularly in regard to Brexit. The committees have had much discussion on this and heard many presentations. One of the committees of which I am a member, that on the Good Friday Agreement, launched its own report. It was very obvious that the one certainty is that there is uncertainty over Brexit. A rainy day fund certainly makes sense, particularly after the excesses of the Celtic tiger years, which involved a philosophy of spend, spend, spend.

I must issue a cautionary note regarding where Ireland could lose millions of euro it cannot afford to lose and which the Minister needs in the budget. There seems to be a lack of awareness over aspects of CETA, particularly regarding the investor clauses. We are sleepwalking into accepting all aspects of CETA, which could prove really costly in terms of jobs, small and medium enterprises, and the beef and dairy industries. It would make us vulnerable to multinational companies and corporations suing Ireland for imagined losses of profits. Let me give some examples. In Bolivia, there were attempts by a particular company to privatise water. Between NGOs, civil society and international campaigns, pressure was put on that company not to sue the government, so the case did not proceed. If it had proceeded and the company had won - there was every likelihood it would have - it would have cost the Bolivian Government €50 million. The amount the company had put in initially was €1 million. The facts are evident. From the 1960s until 2000, there were ten investor court cases, but from 2001 to 2015, there were 700 cases. What I describe is a commonly used tool for corporations and multinationals and we do not seem to be alarmed by this. Ecuador faced several cases like this. It carried out an audit, a risk analysis of exposure to ISDS. Its conclusion was that the perceived need for those clauses to attract investors has been proven a myth. South Africa had a similar process and found no correlation between attracting investment and having these clauses. In a recent US-Australia trade agreement, there was no ISDS clause. Those audits did find that the ISDS undermines national development. Therefore, if we ratify, we are exposing Ireland, through these clauses, to being sued by multinationals, with the possibility of losing those millions the Minister has been outlining he will be spending on various services. I ask him to consider a risk analysis of what this could mean for us in the various Departments so we know what we are doing. I very much agree with investment and trade but not with these clauses being included.

Instead of spreading resources too thinly, budgets should make a real difference for those suffering the most inequality. These are the people with the disability, mental or physical, or both. I note there is to be a special committee to form a joint committee on the future of mental health care that is going to agree on a single long-term vision for mental health care. It is opportune, therefore, that we examine health care. There is an opportunity in the budget to address the inequality being experienced by people with a disability. Budget 2018 should really address the poverty and exclusion experienced by those in question so they can participate and contribute fully in society. That would complement the work of the new committee. It is ironic that, outside the Dáil today, there is to be a protest by people with disabilities. They are highlighting the series of broken promises, not just by this Government but also by others. They feel the HSE has too much power over their lives. They are still waiting for developments such as the personalised budget.

Corporation tax features in the Minister's statement and also the commitment to the headline rate of 12.5%. What is the effective rate? The Minister made a speech yesterday about base erosion and profit shifting and country-by-country reporting, but we still do not support public country-by-country reporting.

Economists should do philosophy at the same time. The philosophy is about the kind of

society in which we want to live, in addition to the values and principles. I am always struck by the quotation from Nelson Mandela to the effect that vision with action is required to bring about real change.

Deputy Michael Harty: If we introduce tax cuts and reduce the USC in this upcoming budget, we will fail to deliver on legacy service deficits. I am referring to the health service, in particular. The economy is growing, yet our health service is deteriorating. How can that be? The lack of capacity in our hospitals and staffing and infrastructural deficits are now leading to institutional bottlenecks in our emergency departments, as demonstrated by lengthening trolley queues, affecting several hundred patients every day, and the now-predictable seasonal peaks in trolley queues. Waiting lists for essential planned care are now also institutionalised and are worsening week on week. Waiting times for specialist opinions and diagnostic and screening procedures result in a failure to provide patients with a service in a timely fashion. Transitional funding to stimulate health reform is not obvious in any statement from the Government.

These deficits in our health service have now reached such proportions as to be an abuse of our patients and an infringement of their right to a proper functioning health service. I urge the Government to commit to a root-and-branch reform programme of our health service. I do not believe giving piecemeal funding to our fragmented health service is the best way to proceed. What is needed is to develop a new governance framework for our health service in which efficiency and accountability are paramount. This requires political buy-in and the Government to commit publicly to a health reform programme. It requires legislative change, which demands accountability, answerability, efficiency and the taking of responsibility for good governance in our health service. I refer to both managerial and clinical governance.

Integration of services underpinned by a reform programme will bring savings and, most particularly, better outcomes for patients, which, after all, is what the health service seeks to achieve. I see no evidence in this summer economic statement that indicates that a health service reform funding programme will be instituted. The Sláintecare reform programme gives a blueprint for essential health service reform and requires an urgent commitment from this Government. To give an example, I recently met a surgeon who was appointed. She has no beds, theatre space or staff. She has come back to Ireland to commit to the health service, yet she is not given the infrastructure to carry out her job. She is literally twiddling her thumbs.

Deputy Danny Healy-Rae: The improvements we hope to get in the budget are very important because many people have been left behind for years. The big imponderable is Brexit and how adversely it will affect our country and the people who work and try to survive here, especially those in agriculture. I heard some commentator this morning say that many English people believe the UK should not leave if it does not get a deal. Maybe they are finally waking up and it has taken them a long time to wake up. I cannot see that they are going to get a great deal because they are leaving the European Union.

Infrastructure projects to progress our country have been left behind. The county I represent has been left behind long enough in regard to broadband and the roads into Kerry, such as the Macroom bypass and the Adare bypass, as well as all the roads going to rural homes within the county. Without putting any bones in it, I have to say the people in rural Kerry are entitled to a good road to their door as well as the people in Dublin 4.

We have been hearing different vibes in regard to tax and what improvement people can expect in their incomes due to tax reductions. The Taoiseach said he is in favour of helping people

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in the middle income bracket, but then we hear he does not have the fiscal space to do it. He should make up his mind. It is wrong to give people false hope, but that appears to be what has happened. Middle income earners are put to the pin of their collar to keep going. The bracket at which they start paying 52% tax needs to be raised from €33,000 to over €40,000, given it has not been raised in years. What people buy is costing more and they are finding it harder to live and to pay for the services they get, and they sometimes pay for services they do not get at all.

The fair deal is a lousy deal for farmers and I hope the Minister will address this in the budget. In fairness, many Deputies saw fit to support the Rural Independent Group on this. That anomaly will have to be addressed in the budget.

With regard to home help, there is an anomaly in that the same person can get into a nursing home and have that covered by the fair deal but will not get any extra home help. On the issue of Kerry Co-op shares, the Revenue Commissioners are failing to meet their obligations in regard to what they promised. The HSE does not appear to be accountable. There are too many chiefs and not enough Indians in that we do not have enough front-line staff.

Deputy Mattie McGrath: I welcome the opportunity to speak. It is a new phenomenon of recent years that we have these summer economic statements. With growth projections of 4.3%, we are talking about a huge labour market that has increased in the past 18 quarters. However, what kind of jobs are they? They are not all good jobs and many are zero-hour contracts. I am not a mad, raving trade unionist but I know the jobs are not proper jobs. People are being forced to work in situations that are not very desirable and with no certainty. They cannot borrow or have certainty for their families.

With regard to rural Ireland, the Government got enough of it in the last election with its “Keep the recovery going”. There was no recovery and the Government found that out, but it still has not learned. The Minister spoke about fiscal space, another term that annoys people and drives them wild. We were expecting a good bit of money but it is now down to a couple of hundred million.

The waste that is going on in this country is what should be tackled first. The Minister should not bother coming in here with economic statements, whether it is spring, winter or summer, or April Fool’s Day either. The waste going on in the public system is unbelievable. The hospitals issue has been addressed by Deputy Harty, who knows about this. The Government was boasting about €900 million extra for last year. For what? It was for worse results, year on year. Several Ministers have failed to tackle it. That is one area but, right across the public service, there is massive overrun on projects. The Government is telling us the children’s hospital will probably cost €2 billion before it is built, even though it is in the wrong place, as we all know. It is just left there. I put in complaints and have written to the Committee of Public Accounts about the waste in Cashel hospital, where the spend increased from €12.2 million to €21 million or €22 million, but I have not heard anything back yet. I wrote to the HSE and I got back waffle. There is no one with teeth watching these organisations. The HSE is the worst of them all but there are more runners-up in that race and they have their hands around the handlebars of the system. They are not accountable to this House or to anyone else. We need to tackle that to allow the country to survive.

If we lessened the USC and allowed the people to spend money in local shops to give the economy a bit of stimulation, those people would feel better. It is a crippler. There were so many expectations created by the Taoiseach and the Government but nothing happened and we

now know that nothing is going to happen. That is very hurtful and mean.

While I might criticise the public service, there are many good public servants, some of whom we met during the week. Retired public servants have been treated shabbily in the past ten years. No union is looking after them. Once they are retired, they are forgotten about. It is a very unjust society.

We want a university for the south east. We are not looking with the *béal bocht*. We want a proper spatial strategy and we want services in rural Ireland, the same as they have elsewhere in the country. We are not jealous or envious of what they have but we want fair play.

Community people are the backbone of this country. I am talking about those providing home help, meals on wheels and all those services. We must allow them some bit of dignity to work. Above all, I am talking about disabled people, who have to come here again today to sit outside the Dáil while the motorised transport grant has been put off repeatedly. The Taoiseach told me last week that primary legislation was needed but the Government needed no primary legislation to cut it, when it had been in place for a decade or more until it was cut four or five years ago. We have been raising this issue repeatedly in the House but we are told it needs primary legislation. The Government's primary job is to govern, to be fair to the people, to listen to the people and to deliver for all people, not the elite.

Deputy Róisín Shortall: Any objective assessment of where Ireland is at the moment would show a country and an economy which is struggling badly and is under very severe pressures that arise due to the fact our services are so severely underfunded and our public infrastructure is so wholly inadequate. Given that situation, and we in this House are all too aware of those pressures as we are dealing with them with our constituents every day, it is very hard to see how on earth the Government could adopt the kind of fiscal stance that was outlined in yesterday's statement. It is very hard not to come to the conclusion that this stance is seriously misguided. Sometimes one has to wonder if the Minister and the Government are living on the same planet as the rest of us and the constituents we are supposed to serve.

Given the level of unmet need, one would have to ask how on earth the Minister can contemplate the idea of tax cutting. We got that clear message last year during the general election, when people were very clear they were not going to be fooled by promises of tax cuts. They did not want tax cuts. They wanted politicians to sort out the housing crisis and to deal with the dysfunctional health service and all the other unmet needs in society. People have moved beyond the Minister's position and they do not buy the empty promises he makes.

Earlier, he stated his aim was that the fruits of economic recovery would be spread as evenly as possible. Why does the Minister not tell us what he means by this? His actions, and those of the previous Government, do not suggest he is serious about that as an objective. He has not said anything other than that phrase today or explained what he means by this. How would he give effect to that? He has not provided any figures on the level of poverty and inequality. He has not set out an anti-poverty strategy or targets to ensure that recovery is spread evenly. Is this empty rhetoric or does the Minister mean it? If he does, will he explain how he will achieve this because his actions to date do not indicate that nor does the stance he set out in yesterday's statement indicate that he is serious?

If the Minister is serious, the obvious conclusion is that whatever limited resources are available would be invested in public services because that is how one ensures that there is fair-

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ness. We need to get to a point where there is a clear social contract where the understanding is that people pay their taxes, at a fair level, and in return they get good quality public services. That is the kind of social contract that exists in most European countries, particularly in northern European countries. A cohesive society can exist where one pays one's taxes, based on ability to pay and in return, one gets good quality public services. That makes sense. The tax-cutting agenda peddled by the previous Government and continues to be peddled by the current Government is short-sighted, dishonest and inequitable. Given the very narrow fiscal space currently available, that €500 million should be invested in good public services in its entirety. There is no space for tax cutting. Because that space is so narrow and the kind of uncertainties the country faces because of Brexit, the prudent thing to do is to safeguard the current tax base and to ensure there is some stability in that for the future. Taking that kind of approach and tackling the social and economic pressures is not only fair and ensures a more cohesive society but also makes sound economic sense. Our failure to do that has resulted in huge upward pressure on wages and that is a vicious cycle. We do not tackle the underlying problems, we do not provide good quality public services, we allow the cost of living to soar and that puts pressure on wages.

We need to take a more holistic approach to this. It has to be equitable, honest and fair and what the Minister laid out in yesterday's statement will not achieve that.

Deputy Eamon Ryan: We agree with a number of the things in the Minister's summer economic statement and his speech. We need to reduce public indebtedness to protect against future risks, to make sure that we maintain a capability for counter-cyclical economic policies and to make sure we increase investment in capital, as we agree there are infrastructure backlogs and gaps.

Where we differ is we believe we need to maintain the current tax level. If the Minister wishes to reduce certain taxes because for some reason they cause some dysfunctionality, there may be scope to increase tax elsewhere in order that there is no net reduction in tax, giving us greater spending power. We would take that different approach.

The biggest difference between us is I have no sense of the strategy behind the document. I understand the economic strategy but economics is a narrow prism by which to look at how we develop our society. I agree with the Minister that we should not merely concentrate on fiscal space. He suggested we should look at the fiscal stance instead but when I looked at what that means, he followed up by stating, in other words, we must "ensure that budgetary policy is appropriate in supporting sound macroeconomic conditions and helping our economy grow in the long run". That is not an adequate strategy. Sustainable development is development that is sustained. Growth strategy is everything. From a Green perspective the idea that it is all about economic growth is not a strategy.

This has been a problem for 30 or 40 years. Our public service has atrophied where it comes to thinking strategically. It has bought into a market ideology to such an extent that the public service has become lazy in the sense that whatever it does, it does not make strategic decisions, it is only there to set up the economic conditions to allow the market to do its job. There was an example on this here some nights ago when the Minister, Deputy Naughten, responded to our waste initiative proposal. There was a line in his statement saying that whatever else, he did not want to create another PPARS or e-voting machine. In other words, there is a public service mantra that whatever one does, one must not take a risk. One should not take a strategic risk in investment, particularly if it is digital or clean energy or new technology where one is

not certain it will work. That is a mistake. In the world outside, an industrial, digital, clean energy, transport revolution is taking place. If our public service does not believe in that and has no sense of where we place ourselves in that regard, our fiscal stance will be wrong. We need to take a stance in evolving developments. Another example of this inability by the public service, and the Departments of Public Expenditure and Reform and Finance in particular, is the metro project. Yesterday, the Minister was quizzed on the analysis on that. Our State had a complete inability to do the proper economic analysis of public transport projects. They could not understand the wider developmental benefit of a proper public transport system in this city or the real cost of not having that. There is just mindless cost-benefit analysis where the Department of Finance measure things on the basis that a road project is good because point A to point B can save X amount of minutes and therefore that makes economic sense. The officials think they have done their job - no one gets fired for hiring IBM - the box is ticked and away they go. There is no thinking or strategy behind it. When one is on public transport, one can work at the same time but no one is measuring that benefit.

The environment does not matter. It is not mentioned once in the economic statement, as though it is not happening or there is no environmental context to what we must do. The Green Party stance would be to invest in electric vehicles, in the retrofitting of buildings, in greenways not motorways, in our wastewater systems in order that we are not swimming in sewage, which is happening in Dublin at present, and to invest in forestry and in housing. We need strategy. The Minister needs to take a stance on the national planning framework. We need housing and we need it close to the centres of towns and cities. The Minister needs to come out with that type of stance in the spending review's priorities.

At the very end, the Minister mentions sectoral issues but there is no mention whatever in this review of any strategic sense as to where we are going, which are the big strategic issues. How can we separate economics from a vision of society and our country, which is what is in this document? The Minister has it in his head but should put it down on paper and into his speeches and should not allow the Department to narrow us down to mere economic robots, which does not give us any vision of where we are going as a country. We need fiscal responsibility but we need more than that, we need a vision of where this country is going to go.

Minister of State at the Department of Finance (Deputy Michael D'Arcy): I will begin by complimenting Deputy Maureen O'Sullivan. Her speech was the best this morning by a country mile.

An incredible number of opinions were expressed this morning as though opinion was fact. While I do not want to spend too much time on that, I will touch on some of them. The redistribution of wealth operates via taxation through the Government. During the worst periods of the recession, the State was collecting €11 billion in income tax while it was redistributing, through the social protection budget, €21 billion. There is not another jurisdiction that gave out almost twice as much as income tax to people who required redistribution. We never hear anyone talking about that fact. People ignore it. The major readjustment between the recession and now has been in respect of income tax. Some €11 billion was collected at the lowest point in, I believe, 2011. The projected figure for 2017 is €20.5 billion. If people want to know why the working middle, the people who go to work every day and pay high taxes, should be given some benefit of a reduction - and the reductions have been modest - that is why. We have doubled the take in respect of income tax. The sector I represent is the financial services sector. Every day, I meet representatives from companies that we are trying to attract here to employ people. One of the first issues that is raised is the very high rate of tax. Deputy Danny Healy-Rae referred

to how quickly-----

Deputy Róisín Shortall: We do not have high rates of tax. The Minister of State should stop misleading people.

Deputy Michael D'Arcy: -----one gets to the high rate of tax, the marginal rate of 52%, when ones earns €33,800. To put that in context, the average industrial wage is €36,000. This is one of the very few jurisdictions in which one is able to get to 52%, the higher rate of tax, before getting to the average industrial wage.

On the national debt, some of the things that were said earlier are incredible. The national debt is approximately €200 billion. When I entered this House a decade ago - at the same time as Deputy Calleary - it was between €44 billion and €47 billion. That was the debt. Some €30 billion was added because of what happened with the banks. The remainder relates to running the deficit that we are talking about in order to ensure that people would have social protection payments, old age pensions, children's allowance and unemployment benefits and allowances. The national debt has increased by approximately €140 billion - €14 billion a year for ten years - to ensure that people had those payments. That is what has happened and that is why it was done.

I want to touch on a matter to which Deputy Boyd Barrett referred, namely, gross profits. Nobody pays tax on gross profits. People pay tax on net profits. That was a dishonest thing to say regarding gross profits. Without those companies employing people, there would be hundreds of thousands fewer people in the workplace. These people are the reason we have got out of the recession. We have emerged from the downturn in which we found ourselves. It was not a Greek-style downturn, but there would be problems if we had gone down the route that some parties on the left suggested. Deputy Boyd Barrett spoke on local radio with me, going back to the period of the fiscal referendum, and said that defaulting was the way to do it and that it had worked out really well in other countries. Anybody who knows about a country that has defaulted knows that it has not worked out well.

I want to touch on what Deputy Pearse Doherty of Sinn Féin said. His party leader, Deputy Adams, sat in the seat that Deputy Pearse Doherty sat in earlier and stated that defaulting was the way forward. I want to make a point about Sinn Féin. Sinn Féin has never taken a risk in the politics of the Republic of Ireland because it has always determined that it would not go into government. One might criticise Fianna Fáil or Labour or ourselves, but at least we have stepped into government and done what we believe to be the right thing in order to get the country to the right space. It has taken a decade. I have spoken about it before - it is the lost decade. We are going to balance our budget in 2018. We are obliged to do so on foot of the fiscal rules. These are not the European rules that were created by somebody else, but the rules that we voted on in the 2012 fiscal compact referendum that was passed by the people of this country.

There are many other areas I could cover. I think the summer economic statement - or spring economic statement - is good. The old days of one big-bang-wallop of a budget coming and nobody knowing what was going on until budget day have gone. Things are improving and I look forward to the opportunity for the other parties to have their budgets costed.

I want to finish on this. Some people are expressing the view that it is all wrong. It is not all wrong. It is not all right either, and I accept that, but we should not go down the route of saying that everything is wrong with the public sector. It is not. We have the very best public

servants and civil servants. We do not have the greatest health service - there are issues there to be resolved, which we are doing the best we can about with the resources that are available.

Minister of State at the Department of Finance (Deputy Patrick O'Donovan): I welcome the publication of the summer economic statement. I want to thank the Taoiseach for giving me the opportunity to serve in the Department of Finance with the Minister, Deputy Donohoe, and the Minister of State, Deputy D'Arcy. This is the first opportunity I have had to speak in the House since my move.

In fairness to the publication from yesterday, I want to start by referring to some of the remarks that were made earlier about strategy and how it cannot be all about economic growth, the potential growth in the economy and the fiscal space. The reality is that if one wants to have a reformed public sector, invest in public services and, as we all do, have an improved situation for all of our citizens - whose sacrifices have been massive in bringing the country back from the brink and putting us in the space in which we find ourselves just five short years after first going into government - then we need to talk about economic growth. That growth is the key driver of the strategy. As the Minister of State, Deputy D'Arcy, said, not everything is right, but not everything is wrong either. Seven out of ten people who lost their jobs in the biggest crash that this country ever experienced now have the opportunity to get up in the morning and go to work. That is a massive achievement in such a short period and it is on their backs and those of the people who took cuts - and of those who ultimately paid a massive sacrifice in having to leave the country or in losing their jobs - that we are in the position in which we find ourselves today, talking about having an additional €500 million to spend next year and total Government expenditure of €60 billion. These are not insignificant amounts. The Minister, Deputy Paschal Donohoe, has been very clear in asking people to not just look at the incremental increase but at the overall picture and the totality of what it is that we, as a Government, will spend in the forthcoming year.

There is no doubt that there are challenges. Without challenges, there would be no need for a Government. The reality is that, as the country continues to develop and as we are able to put more people back to work and drive down our debt and our deficit, we will be able to invest far more than we are in a position to currently to face those challenges. The first and most important thing that we have to bear in mind is that, while the Government is in a brighter position than it was in 2011, we have to be responsible, fair and realistic. We have to be realistic with people's demands. There are many competing demands. We also have to be compassionate and fair, and we have to recognise that we did not get everything right in the past five years, but we also did not get everything wrong. If we got everything wrong, we would not be in the position that we are in today where unemployment is a fraction of what it was when we first went into government. People now have opportunities of which they can avail.

When we first came here in 2011, little did we think that, within five years, we would be talking about spending needs, capital needs and the need for additional resources across a range of public sector areas. What we were talking about at time was whether this country would survive. It has, on the basis of the commitment that was given, and the contribution that was made primarily by the public in general. The partnership for Government model and the programme for Government outlines a number of priorities that we have as a Government. In the area that I have responsibility for, reform is a huge part of the agenda. This morning, I launched a report on what the Organisation for Economic Co-operation and Development, OECD, makes of what we have done in the context of the reform we have managed to bring about in conjunction with our civil and public sector in recent years. It is remarkable, and many of the achievements go

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under the radar. One does not get credit for the things one does right, one merely gets criticised for the things one does wrong.

This debate is an opportunity for us to reflect on what our civil and public sector has done in an era of unprecedented economic difficulties and all without a single day of industrial unrest. It is a remarkable achievement for a country to come through what we did with the unity of purpose that we have had, and our civil and public sector needs to be acknowledged for that as well. There is no doubt that the challenges are massive, but we have to be in a space that manages expectations now, both politically and otherwise. The fiscal space, the ceiling caps or whatever one wants to call them that the Minister has outlined are modest. The overall increase is modest relative to the total amount in the budget, but the forecast is much healthier for the years 2019 to 2021, inclusive.

In the context of where we currently stand, we are going to be able to start looking at capital programmes across the country, regional focus and the deficits that exist in many different parts of the civil and public sector. In doing so, we have to ensure - the Minister also said this - that the rainy day fund, while it is not €1 billion, has the extra €500 million, now being put into capital, allocated to wealth generation. This, in itself, will be a driver of the economy and will allow people with the opportunity, as I have said in the House on several occasions, to have the dignity of being able to get up in the morning, pay a mortgage and put their children to school in their local areas. Those challenges are going to be great.

The national planning framework is coming at a time when we are going to be able to announce a capital programme. It will set the blueprint for the development of Ireland in future. That is critical. It cannot be along the haphazard lines it was, as I have said often. It cannot be a "Late Late Show" approach whereby there is one for everyone in the audience, whether hubs, spokes, wheels, or whatever people are having. That means nothing and no one believes it. We have to ensure whatever is presented by way of a national planning framework and the capital spending plan is realistic and deliverable. The public must be able to see these are the types of initiatives that will ultimately lead to a greater level of wealth generation and that will result in everyone's boat rising incrementally.

As I said and I will say it again, realism is the most important thing at this time. We need to manage expectations and be fair and compassionate. We need to realise there are elements in society that are not where we would like them to be. That is our focus as a Government. It is part of the programme for Government and the confidence and supply arrangement we have with Fianna Fáil. That is key and to the fore.

Deputy Dara Calleary: I wish the Minister well in his new joint custody arrangements involving the Department of Public Expenditure and Reform and the Department of Finance. The Department of Public Expenditure and Reform might get the Minister at weekends - I am unsure. I wish the new ministerial team well. I was listening to their remarks and to the speeches. The intent was good but the reality is so lacking. In reality, the connection between the summer economic statement and our grand macro figures is lacking. In Mayo General Hospital, four weeks of elective surgery will be cancelled, including the last two weeks of July and the first two weeks of August. This is because the hospital does not have enough theatre nurses. It cannot get them. That is the reality in our health service around the system.

It is not necessarily a complete fiscal reality either. The reform programme referenced by the Minister of State, Deputy O'Donovan, is going to have to kick in here. Often, it is work

practices and patterns that deter people from coming back and taking up opportunities.

I was listening to Deputy Harty earlier. He referred to the person he met who is going back to take up a consultancy post. Well done to her, but many will not do so. This is not because of tax necessarily but because of the working conditions and practices within the HSE. It needs to be tackled. Many Deputies I have been listening to this morning deal with the HSE. Those in the HSE management think they are unanswerable to us as public representatives and to the Departments of Finance and Public Expenditure and Reform.

There is no sense in us making grandiose announcements like summer economic statements, spending and capital reviews or budget day announcements unless there is monitoring of how it is happening. More than 500 children in Mayo are on a waiting list for occupational therapists. When we have waiting lists going out of control in hospitals throughout the country for all elective surgery, the notions of the grand recovery and a republic of opportunity that the Taoiseach speaks about are alien notions. Will we get evidence of it in this year's budget? It is an alien notion for a person waiting more than two years for his child to see an occupational therapist because there are not enough of them in the system. Moreover, the system is so rigid and lacking in imagination and compassion that it will not move occupational therapists to areas where they are needed. There is no republic of opportunity if a person is waiting for a hip operation or on a waiting list to get into the National Rehabilitation Hospital in Dún Laoghaire.

There is certainly no republic of opportunity for people who cannot access high-speed broadband for their children to do basic education. They cannot work from home. They cannot make the choice to get up early in the morning and work from home. They cannot live in the regions and work for a company based in Dublin because, despite all the money that has been spent, we have been unable to get our heads around how to spend it properly on high-speed broadband.

The Minister is undertaking a spending review at the moment. I am sceptical about it because I am sceptical about the willingness of Departments to say where they are spending it and what they are spending it on. I am even more sceptical about the willingness of the system to measure the impact of that spending.

Earlier, Deputy Mattie McGrath spoke about the level of waste, and he was right. That waste means we are unable to spend it on essential services. It means we cannot make people's lives easier. We cannot use the money we are speaking about here to make an impact on those lives. That waste is tolerated within the system and that will remain the case until we stand up to that waste and stand up to that challenge.

Deputy O'Sullivan has left but she made a point about the independent budget office. I welcome the appointment of Annette Connolly as the head of the independent budget office, as was announced yesterday. I wish her well in her position. However, that office was nobbled from day one. The difficulties, delays and rows over the grade are only a signal of what is to come. The system does not want an independent budget office challenging it. The system does not want an independent budget office equipping Members of this House and the other House with the skills and information we need to challenge where this money is going.

We expect the Minister for Finance and Public Expenditure and Reform in those roles and as a Member of the House to stand up to the system and ensure Annette Connolly is given the resources and powers necessary for the independent budget office to be truly effective, for it truly to do the job we want it to do, for it to be independent and for it to challenge and to ask the

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system what it is doing with the money allocated to it.

Earlier, the Minister of State, Deputy D'Arcy, spoke about the big bang budget day announcements. We should not be fooled. The system has not changed that much. It is amazing how €200 million can be found between midnight and 1 a.m. on budget night. The big bang budget announcement is a problem. First, we make the announcements. Then, we all have a four or five-day debate, but then we go away back to our work. What we need to do is monitor where that money is going and where it is having the impact. I hope this is what the independent budget office will be about.

My remarks yesterday on the statement were focused on the area of capital. The Minister will know from parliamentary questions and committee meetings that I do not believe the Government is getting the capital budgeting system right in any way. We have alternatives in terms of funding. The Government did not necessarily need to reduce the rainy day fund. I welcome the Government's new-found commitment to the rainy day fund. The Government could have gone elsewhere, for example, the European Investment Bank. I welcome the plan to review the Ireland Strategic Investment Fund. However, there needs to be urgency about that.

Where are we with the credit union offer of putting €1 billion on the table for addressing our social housing problem? That is the greatest challenge facing this Republic. One year on from our centenary year, we cannot put a roof over the heads of the citizens of this Republic. They are sleeping on streets, in hubs and in hotels. People are tracking from one side of the city to the other to get their children to school because we cannot provide houses. No amount of spin, glossy documents or big bang announcements will change that. The Government is running away from funding that is put on the table that is not Exchequer funding. We cannot get an answer to why there is no engagement around that. That is why we cannot take the capital plan seriously. That is why we judge the Government on the practicality of it. We cannot rate the Government ambition for capital plans seriously when it is walking away from sources of funding that might be available to it.

We need to wake up and look at what Brexit is going to do to this country, not only in this House but outside in every element of society. I pay tribute to the former Taoiseach, Deputy Kenny, in respect of what he achieved on the Border, but that was achieved on the back of an international agreement that has been in place since 1998 - the Good Friday Agreement. There is still no understanding at EU level of the impact Brexit will have on our economy. Leaving the Border and associated issues aside, I do not hear anything from Brussels to suggest that they understand this is the economy most exposed to the UK leaving. The UK is our biggest trading partner. For the first time since our independence, we are going in a different direction. I do not get a sense that the Government is urgently pursuing or articulating that argument in the corridors in Brussels.

When Mr. Barnier was here some weeks ago, he stood in the Chamber and patted us on the back. He told us we were great boys and girls and that it would be all right on the right, but it will not be all right. People are in business trying to make plans. In two years, we are either going over a cliff or down a very rocky road. One way or the other it is not going to be easy. The same should apply to the country. To Brexit-proof the country, it means a massive capital investment in the Atlantic corridor, ports such as Rosslare and Dublin, and airports that serve the UK and can be equipped to serve other markets. That is what we need to examine in the capital plan. I acknowledge a review is due imminently but that needs to be a Brexit review, not just an ordinary, tick-the-box capital plan review.

I agree with the Minister of State, Deputy O'Donovan, that the national spatial strategy plan review, which is due, needs to be real, honest and done in a way that delivers quality to the regions for once and for all. The review should involve, not ignore, the regions and it should also recognise the challenges that Dublin city faces. The city centre is booming but there are communities within the city that need opportunities, socially and commercially. The Minister's constituency contains examples of communities that have been forgotten for many years, even in the shadow of so-called economic development. That has been replicated across Dublin and all our cities and these communities need to be included in this review and they need to be given a voice in the national planning framework review.

The Taoiseach is fond of phrases and very fond of spin. He said that he wanted to create "a republic of opportunity". Budget day in October will give us an indication of what that means. In the four to five weeks he has been in office, we have not seen much indication of the reality behind it and there is little indication in this statement of where he is going. The Minister has to deliver on the promise of "a republic of opportunity" in both his roles. That means opportunity for every citizen, including those on waiting lists and children with additional needs against whom our country conspires at every turn in our health, education and social care systems to make difficult lives even more difficult. It is not necessarily about money; it is about a change in how we respond. To date, the Taoiseach has been all socks and no substance. The budget process is the chance to show the substance.

Deputy Patrick O'Donovan: The Deputy has been practising that line for a while.

Deputy Dara Calleary: I learned from the Minister of State.

Acting Chairman (Deputy Eugene Murphy): I welcome all our visitors who are in the Gallery. We always like to see them, particularly the people from Lean ar Aghaidh centre in Roscommon. They are very welcome.

Deputy John Brady: It is incredible that the Minister can spend two entire days talking about a budget that will not happen until 2019. I refer, of course, to his announcement that there will be €1.5 billion for capital investment between 2019 and 2021. He cannot talk about the 2018 budget because both he and his predecessor overspent last year by introducing tax cuts where they were not warranted and spending millions on a housing scheme that did nothing but help fuel prices of houses. My colleague, Deputy Pearse Doherty, raised this repeatedly last year and told the Minister exactly would happen but, as always, Fine Gael went with the tax cuts and grants to developers and speculators and, to nobody's surprise, that did not work.

In our alternative budget last year Sinn Féin made capital investment front and centre of its plans. We knew that this was the issue that needed to be tackled. Ireland is at a crossroads. We need serious capital investment yet the minority Fine Gael-Independent Alliance Government supported by Fianna Fáil is committed to cuts in taxes and the further privatisation and downgrading of essential services. The current level of public investment is simply too low to provide the housing, services and infrastructure that is desperately needed across the State. The need for public investment has been highlighted by groups and organisations as diverse as IBEC, ESRI, NERI, TASC, the European Commission, the Irish Fiscal Advisory Council and Social Justice Ireland. The Government's capital investment plan puts capital investment at only 1.9% of GNP in 2017. Given almost ten years of underinvestment and unmet demographic pressures, this shockingly low level of capital investment is reckless and unsustainable.

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On paper the economy is doing very well. However, behind those figures there are issues that are unique to Ireland. We know from economists who study the performance of the economy that GDP is not a good reflection of where we are as a country. Reading the headline figures in terms of investment, one could form the view that investment in Ireland is increasing but when one gets into the detail in that regard, one discovers that the basis for this is that a small number of multinationals have relocated intellectual property activity into Ireland, which has bumped up the figures. If this activity, which has little impact on economic growth, is stripped out, investment in the country has declined. There is a major problem, in that while some multinational corporations provide much-needed employment here and some tax receipts, this skews the figures in terms of the overall GDP, which also then causes major problems when we are considering how the resources of the economy should be divvied up or, indeed, the sustainability of our debt.

One of the major challenges the country faces is the consequences of almost a decade of under funding of capital infrastructure. We have the second lowest level of capital investment in Europe and that is not acceptable or sustainable. The face of this underinvestment can be seen in our flood defences, our children being educated in prefabs, raw sewage flowing into our rivers and seas and a lack of telephone and broadband coverage. Sinn Féin is the party with a plan for economic recovery not based on fleeting corporation tax receipts or tax breaks for the wealthy but on public investment in our roads, schools, hospitals and workforce. We are committed to building a sustainable economy and an equal society.

Deputy Tom Neville: I welcome the Minister's economic statement. I cast my mind to 11 February 2010 when I had to step on a aeroplane to go abroad because of the disastrous economic crash that year. That was just seven short years ago. If someone had said to me then that we would be debating a fiscal space of €1.5 billion and an unemployment rate that has reduced to 6.2%, I would have laughed at him or her. Thousands of us were stepping on to aeroplanes at the time and we felt there was no hope. We did not know when we would be able to return. We thought history would repeat itself and we would be another generation that would not get the opportunity to come back. The trickle of returning emigrants began in 2013. The turnaround was extremely quick. It was quicker than anyone envisaged, particularly myself. In 2010, the budget was cut by €4 billion. A number of budgets were introduced and the country was absolutely rudderless. People were on the streets wondering into which bank they would put their savings because they did not know whether they would go bust and what the future would hold. People who were considering emigration did not know where to go. They did not know whether they could obtain a visa, whether they could come back or when they would see their family again. All those pressures were put on people and that was the backdrop at the time.

12 o'clock

We have come through those challenges. People have made sacrifices for the betterment of the country. Now we need to drive forward. We need to strike a balance between providing for capital investment and paying down the debt. We do not want to overheat the economy. If too much inflation is generated and interest rates start to rise, the cost of living will come under pressure and our competitiveness will be challenged. We need to maintain our competitiveness to facilitate the private investment that is coming in all the time. Our economy is growing as a result of such investment. We need to put that back into services.

I welcome the Minister's statement on capital investment in roads, infrastructure, education and hospitals. Such investment is warranted and needed. I make no bones about saying

that there has been under-investment as a result of the crash. We had to try to balance the books. Ireland developed its capital infrastructure in the 1980s and early 1990s, particularly with money from the EU. We have stalled on that now. Progress has moved on again. We need to catch up. I welcome the statements of the Taoiseach and the Minister in that regard.

There needs to be a focus on sectors such as construction, from which we have shied away in recent years. We need embrace construction as a pillar of the economy but not as the only pillar. This area of the economy needs to kick off again, thereby generating employment in the trades for electricians, carpenters and bricklayers. Houses need to be built. Additional employment is needed in these areas to bring the unemployment rate from its current level of 6.4% or 6.3% to 5% or 4.5%, at which point we will have reached full employment. We are striving to keep jobs coming and to give people employment. We need to make work pay. People need to be incentivised to do a day's work. They need to know that if they work harder, they will earn more. If people are earning more, they will be able to spend more and put more money back into the system. That needs to be warranted as well.

I welcome the summer economic statement. I would be cautious about spending too much and inflating the economy too much. Nobody has mentioned this possibility. We do not want to see a repeat of what happened in 2000 or 2001 when inflation started to rise. That is something we have to watch.

Deputy John McGuinness: I welcome the opportunity to speak on the summer economic statement. While it is great that we have been given time to discuss the finer points of the fiscal space, it is important to remember that many people do not listen to what we are saying because they do not understand what the Government is doing. The Minister spoke about putting €500 million into a rainy day fund each year. It is as if he is raiding a pot of money, but there is no pot of money there. The Government's plans sound wonderful but there is nothing in them that will enhance rural Ireland and its development, assist small businesses or bring people who are out of work back into the workforce and back into business.

The Minister of State, Deputy O'Donovan, is responsible for procurement. The current approach leaves much to be desired. The actions we are taking are forcing small businesses that currently provide services to the State out of business. I would like the Minister of State, who, in his role in the Department of Finance, has succeeded the new Minister for Housing, Planning, Community and Local Government, Deputy Eoghan Murphy, to change the rules to ensure that regardless of what might be said in Europe, the small and medium-sized enterprise sector will be catered for and supported as it engages with the procurement process. The process within the Department needs to be simplified. Small and medium-sized enterprises should continue to be included in that process, rather than being excluded on the basis of their levels of turnover. I have seen many companies that are not from this State win contracts for the procurement of various goods and services. Small and medium-sized operators are now providing the same services at a far lower cost, and almost at a cost to their own business.

I see nothing in the summer economic statement that will save people who are caught in bad mortgages with the banks by getting them out of the difficulties in which they find themselves. The Minister of State, Deputy D'Arcy, recently addressed the Seanad on the National Housing Co-operative Bill 2017. I have to say his contribution left no room for manoeuvre. The Government's response was completely negative. It did not give any hope to people who find themselves out in the pouring rain. They are looking for a little help from the State. We allowed €74 billion to be taken over by NAMA. I accept that it returned €32 billion. There is

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€16.5 billion in bad debt. I firmly believe that with a little legislative initiative and ingenuity, the State could take over those loans, or assist in the taking over of those loans, in a way that does not interfere with the national balance sheet. It should be possible for those loans to be worked out over a period without people losing their homes.

The Government promised that 700 social housing units would be developed in the first quarter of this year, but just 200 such units have been delivered. NAMA offered 7,000 units and the local authorities picked up 2,600 of them. The balance of the housing units held by NAMA - 72 units - are in the process of being leased or sold. All the rest of the units have been sold or leased, but the local authorities are refusing to take them. The Minister of State at the Department of Housing, Planning, Community and Local Government, Deputy Phelan, has a job on his hands to ensure the reform of local government takes into consideration the need to ensure that the delivery of social housing units is overseen by the local authorities.

Those of us in this House have to think beyond the bubble. We have to take the risks that are necessary to ensure our citizens are best served. We should not stick with the *status quo* when we are talking about education, health, housing or anything else. We should look beyond this House for assistance and initiative. We need to be brave enough to put in place the necessary plans and legislation to ensure citizens are taken into consideration over the next five years. Those who are in difficulty need to be helped. Housing authorities have told us that the homelessness issue, the problem of bad mortgages and the level of repossessions will get worse over the next five to ten years. We are not prepared for it. Every party in this House is ignoring the fact that serious numbers of homes will be repossessed over the next five to ten years. That is what we need to focus our thoughts on.

Acting Chairman (Deputy Eugene Murphy): Tá cúig nóiméad ag an Teachta Tóibín.

Deputy Peadar Tóibín: Fan soicind amháin. Tá brón orm.

Deputy Patrick O'Donovan: Is the Deputy on Facebook?

Deputy Peadar Tóibín: I ask the Minister for Finance to imagine for a second that he is part of a normal Irish family with a house that has a massive mortgage on it. Let us suppose that the house in question also has a hole in its roof. That family can choose what to do with the income coming in. Logically, the first thing a normal Irish family would do is fix the hole in the roof. Having sorted out the infrastructural elements of the house, the family might then seek to pay down some of the mortgage on the house to ensure that it is not overly exposed to any bad times it might go through over the coming years. When the family gets its mortgage into a sustainable state, it might then look at putting money into a rainy day fund. That would be the sensible thing for most families to do.

I say all of this as a way of explaining the position in which the country finds itself. There are massive infrastructural problems in this State. Those who want to travel between Cork and Limerick have to use a 1950s road to get between the two cities. It takes people in County Meath two hours to get into the city of Dublin each day. Many people get stuck on the M50 as they try to get about the place. There is no doubt that the infrastructure provided by the State is holding people back as they seek to live their lives and do their business. The hole in our infrastructure needs to be filled. The logical thing for the country to do would be to invest its money in that direction. For some unknown reason, the country has decided to start to save for a rainy day fund at a time when, metaphorically, the rain is coming through a hole in the roof.

People cannot understand why there can be no access to broadband in country areas while, at the same time, we are trying to save money for down the road.

It is natural to have a hierarchy or priorities at any moment in time and capital infrastructure is one of the productive investments a State can make. With tax breaks the money is lost, as is the case with a wage rise in the public service. The money goes into the economy but only comes back, and not massively so, by being spent. If a State invests in capital infrastructure, the chances are that in the long run it will get the money back in multiples of the amount it initially spends. In the past seven years, however, when this Government was faced with the choice of investing in public services, capital investment or giving tax breaks to those on upper incomes it has, for some reason, always gone for the last option. This has caused massive difficulties and only in Romania are capital investment levels lower. If we maintain our current capital investment level the Romanian economy will be the only one worse than ours after a period.

There is no magic formula for competitiveness with regard to businesses. They simply need to be able to communicate with customers and transport things to them, while having competitive inputs into the formulation of a product or service. How can they do that when most of the geographical space on the island of Ireland is without broadband and will not have decent broadband potentially until 2024? Fianna Fáil promised broadband for everybody in the country back in 2006 and now Fine Gael has pushed it out to 2024. The Department of Transport has stated that it needs €3 billion just to make secondary roads in the State safe, which shows the level of our infrastructural famine. In respect of energy development, we are going to have to pay €600 million in 2020 because this Government will not meet its climate change objectives. In Britain they are producing more solar power this summer than nuclear and coal combined but this country does not even have a solar industry at the moment. We do not even have a feed-in tariff for the solar industry and this is what a lack of capital investment produces.

I want this Government to be fiscally and socially responsible but we have the second highest debt per capita, lower only than Japan's. As sure as night follows day there will be a recession, a downturn in the next ten years. Whether this Government does everything right or not, there is an economic cycle that we cannot avoid.

Deputy Patrick O'Donovan: That is why we need a rainy day fund.

Deputy Peadar Tóibín: Our job is to make sure we pay down our debt as best we can and that we have the infrastructure in place so that when the downturn comes we can deal with it in the best way. Giving tax cuts when the economy is on the up is the most illogical thing to do in the context of the cycle.

I will not have the chance to talk about public services but I call on the Government to take into account our responsibilities to invest and to write down debt.

Deputy Sean Sherlock: There is a need to ensure that certain capital expenditure projects are given priority. I refer the House to a report commissioned by Cork and Limerick chambers on the need for investment in the M20 Limerick-Cork motorway, entitled Gearing up for M20: A Route to Success. The report, compiled by Indecon and Red C, is a detailed assessment and contains some very pertinent figures. One needs to recognise the action plan for jobs, the need for balanced regional investment and the need to ensure the economy grows in the regions. There are major challenges for young people looking to buy houses in the east of the country where a lot of FDI investment is taking place and there are major capacity constraints in trans-

port, as well as quality of life issues. We need to disrupt the balance in favour of the regions and this report is very apposite and timely.

The report states there is a significant role for the M20 in enhancing the environment for foreign direct investment and indigenous investment and that it has the potential to support an estimated 4,000-5,400 direct jobs in the region. It states, "In gross terms excluding displacement impacts, these additional direct jobs could provide an annual gross exchequer impact of up to €128 million, depending on the nature of investment attracted." One can parse that figure in any way one wants but common sense tells us that a proper regional investment in infrastructure will bring with it an economic multiplier in the form of jobs. I ask the Government to consider opening up Kerry, Cork, Limerick, Galway, Sligo and Donegal in the north-west region, what used to be known as the Atlantic corridor, in the capital plan. The Minister for Transport, Tourism and Sport, Deputy Shane Ross, told me on 16 November 2016 there had been approval of €1 million for early works on the scheme. I welcome that, because there has been cross-party lobbying for the initial funding to get the project under way. He said, however, that the approval to commence planning and design and statutory orders would cost between €12 million and €15 million. Stage 3, the approval of the business case by the Department of Public Expenditure and Reform, will not cost anything while stage 4, the approval to submit the proposed development to An Bord Pleanála, will cost between €150 million and €180 million and the approval to commence construction will cost between €600 million and €650 million. These figures are from late 2016 but they give a fair indication of the cost of the project and I am making the pitch for it today. I recognise that I am in the presence of a Minister from the same region and from the county which devised this report. Politically, if we can all get to stage 2, 3 or 4 in the current capital plan to keep it on the agenda, it has the potential to deliver a massive economic return on investment in those regions. There is cross-party support for it and I hope the Government will bring it a step further in the current capital plan.

Deputy Fergus O'Dowd: I welcome the newly appointed Ministers and agree with what they said. Things are very much better than they were and people on the streets in our towns and cities feel that life is getting better and more people are working. This statement is an indication of what we are going to do into the future. As other speakers have said, it is not perfect but it is good news for lots of people. I would like to see greater progress on some of the issues referred to. I welcome the investment in housing, in particular, and I would like to see further investment in our capacity to deliver more houses and accommodation in a more efficient way.

I have consistently raised the issue of the number of empty homes around the country. In Dublin city there are 31,000 empty homes, in Louth there are at least 4,000 and every county has a long list. The percentage of empty homes is higher in Ireland than it is in the United Kingdom, which is a telling figure in itself. We need to look at what is best practice in some of these countries. In Bolton, England, there is an empty homes officer. I believe Bolton has a population of approximately 200,000 people and in six months in the past year, the authorities there managed to provide 523 new occupied homes in the city that were previously empty. There is an empty homes tax in the United Kingdom which local authorities have the discretion to apply and most do. I believe we ought to tax homes which have been empty for a significant period and which are not principal private residences and get them back into the marketplace. I believe there are sufficient and adequate incentives for landlords to do up these homes but I would not have a problem with the Government wanting to increase some of those. We need to look at the run-down and derelict areas in our cities and towns. Perhaps we need to look at changing the living cities initiative to make it more attractive for developers to go into run-down areas

and areas which were formerly centres of employment. We have many empty millhouses in my home town, as well as derelict areas near the docks and so on. We should find an imaginative new way of making these habitable and occupied as quickly as possible. This is how we can reach the targets that are clearly identified in the housing strategy. In the past year or so, Louth County Council has taken abandoned homes, that is, homes which are closed up, derelict and abandoned and in which no one lives and brought 50 of them into commission. There are families living in them now and the reason they are living there is the council was able to slap a compulsory purchase order on buildings when it was not able to identify the owners. The council was able to do this in a short period and at a very low cost. The legal cost for the CPO in most cases was less than €1,000, and in the vast majority of cases it is unchallenged. This brings into occupation houses which were empty and an eyesore and a source of vandalism in their communities.

One of the points made by other Deputies was that we should have a social statement, that is, a statement on social policy, inequality and poverty and I agree with this principle. We ought to have quarterly statements on these matters in order that we be able to challenge and interrogate the progress of the Ministers and the Departments in this regard. Some Opposition Members have said this Government does not care but this is wrong. It certainly does, and what the Minister, Deputy Donohoe, has done with the former Taoiseach, Deputy Enda Kenny, is to invest in areas where there is a high prevalence of unemployment and drug abuse and a significant amount of crime. These are the areas we need to tackle and prioritise. We must build an equal society and while I would support such a debate, I point out the Government is and will remain absolutely committed to that social agenda.

The last point I wish to make concerns questions raised about the public sector and its capacity to do business. We should open up the public sector to short-term contracts and have many more people move into local government and the health services for a short time - two or three years or whatever - bringing skills and expertise into those bodies which they do not have at present. In addition, people in the public sector should be encouraged to take career breaks, go into industry and business and bring new skills and new management ideas into what can often be a hidebound and bureaucratic life for too many people.

Deputy Bernard J. Durkan: I am glad to have an opportunity to speak for a few minutes about this review. It is timely to have a look back and a look forward. We need to look back on the journey we have travelled over the past six or seven years or more and, on the basis of our performance, look forward as to how we see our society developing in the future. There are vast differences in this regard. Seven or eight years ago, the economy was in free fall, emigration was rife, unemployment was growing rapidly - up to 15% - we had no ability to borrow, no borrowing capacity and no borrowing rating and we were shunned all over the world as being unstable and unnecessary to a great extent in the financial markets. We have come through that now and the time has come to look again at how we might develop the next phase of the recovery. The people of this country and the previous Government and its leadership achieved a great deal. It was not easy. If anyone thinks it was, all we have to do is think back over the issues that have affected us all over the past seven or eight years.

Housing is a very important point at present and growing in importance daily. As I have said recently and many times previously, this issue did not originate in the past couple of years. It originated nearly 20 years ago when the housing policy was changed, and until such time as that policy is changed back to what it was, whereby the local authorities build houses directly for people or provide private sites to people who want to build affordable houses, we will not

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solve the problem. It cannot be done. I assure those who think it can that like the Acting Chairman, I have been around a while. Moreover, I have been in this House for a long time too and I have yet to see how this problem can be solved other than in the old-fashioned way, that is, by building more houses. This would have two responses: it would meet the urgent need for housing and deal with homelessness and would also stabilise house prices. As long as a person must borrow something like four or five times his or her annual income in order to buy a house, it is not sustainable. It cannot be done. I have spent some time, as I am sure the Acting Chairman has, in the courts over the past seven or eight years explaining exactly that: it is unsustainable now by virtue of today's criteria and those loans were unsustainable at the time, regardless of what criteria were applied. We have an issue here.

We need to look again at investment in infrastructure. This is a very good and positive thing. Now is the time to do it. We must look at those parts of the country to which the Celtic tiger did not come. Many people seem to think rural Ireland has only been visited by the aftermath of the recession but there was a division beforehand. The division came at the peak of the Celtic tiger. What about all the people who said during that period that they never saw the Celtic tiger or had any experience of it? This applied to both urban and rural settings and this is very much a moot point still. We need to be absolutely certain that what we do from here on in is manageable, affordable and soundly based and that we do not repeat the same mistakes. If we play our cards well, carefully and cautiously and do not repeat the mistakes of the past, get ahead of ourselves and become overly ambitious, we will be on the right track.

The health services, the administration of justice and housing are three critical issues, along with road and rail infrastructure. For one reason or another, some of which is our own fault - everyone's fault - it appears to be fashionable now to dumb down the quality of the health services and claim that everyone is to blame for everything that goes wrong. Many of the things that are happening and do go wrong are manageable and can be averted before they happen. There is no use complaining about the lack of a particular aspect of services in an area. If the services already there are closed down for whatever reason and if we do not use them, and this is hugely important, there is no use replicating the structures to deliver those services. We need to deal with this as a matter of urgency.

We need also to look at the administration of justice and ask ourselves where we are really going in this country. Do we have respect for justice anymore? Do we have respect for authority in this country? Do we have respect for the members of the Garda, the enforcers of the law, at all times? Given some of the things I have seen in this House and outside it, I must raise some questions. We have seen things happen that would indicate to me that we do not have respect for these things and that is detrimental to where we are going.

Deputy Seamus Healy: I am happy to have the opportunity to say a few words about the summer economic statement. Unfortunately, this is an as-you-were document: no change and a continuation of existing policy. What this means is recovery for the rich and powerful in our society and living from hand to mouth for all those families on low and middling incomes. It means not having two cents to rub together at the end of the week. Indeed, the Society of St. Vincent de Paul in its budget statement tells us exactly what it means. It calls Ireland an unequal nation with growing gaps in income. It tells us that the top 1% increased their income share by 20% in the last 12 months, and the lowest 50% lost 15% of income share at the same time. That is the situation.

There is a failure in this document to tax the wealthy. There is no taxation, for instance,

on the huge financial assets of the wealthy in our society. The wealthiest 10% have financial assets now of in excess of €37 billion over peak boom levels. There is no tax on that. The 300 wealthiest people in this country have €100 billion in wealth. Twelve of those have €50 billion, and €6 billion of that arose in the last 12 months. This is an absolute scandal. The rich and powerful are simply not paying their fair share and they must be forced to do that. It is the Government's job to do that.

Capital expenditure is totally inadequate, and is particularly deficient in the area of housing. Patricia King, general secretary of the Irish Congress of Trade Unions, only last week made a very important statement on this issue when she said that Europe must be told to wait for payment of debt, that the €3.5 billion in shares from Allied Irish Banks must be used to build social houses, and that local authorities must lead an emergency housing build into the future if we are to tackle the housing emergency.

The document has the usual nod in the direction of balanced regional development. It refers to "ensuring balanced regional growth". Several weeks ago the Central Statistics Office issued its unemployment figures. It showed that in Tipperary all of our large towns and villages have unemployment levels of in excess of 5% over and above the national average. That is a total of 26 electoral divisions in the country. Unfortunately, the towns of Carrick-on-Suir and Tipperary are unemployment blackspots, having more than 27% of their population unemployed. There is a number of things that need to be done to help this situation, to increase employment levels and to ensure that we get our fair share of employment and investment into the county. The first is the upgrade of the N24. This is a vital social and economic corridor right across the county. Kilkenny, Waterford and Tipperary city and county councils have requested the upgrade of the N24 to motorway standard and there is a proposal to that effect with the Minister currently. If that was done there would be a saving of approximately €400 million and huge economic benefits for Kilkenny, Waterford and indeed all of south Tipperary, including bypasses of Tipperary town, Clonmel and Carrick-on-Suir. It is a vital economic corridor.

Another vitally important issue is the regional jobs development plan announced by the Minister a number of years ago. There are ten towns which are identified in that plan in which the IDA will provide additional industrial and office space. None of those towns listed is in Tipperary. That needs to be rectified urgently.

I hope this document can be amended to ensure that low and middle income families, and indeed rural Ireland, is treated fairly into the future.

Acting Chairman (Deputy Eugene Murphy): I thank all Deputies from every side of the House for participating in this debate. I call on the Minister to conclude.

Minister for Finance (Deputy Paschal Donohoe): I thought the Acting Chairman was going to make particular reference to Deputies from his own constituency for a moment there, given his generosity earlier.

I also thank all colleagues who have contributed to this debate and who have offered their thoughts on the summer economic statement. I will respond to different points that were offered, but I will start by making the point that a recovering economy is not the same thing as a recovered society. This Government understands that completely. We cannot achieve what we want to make happen within our society unless we have a recovery taking place within the economy and the prospect of stability in the future. My colleagues from the Government

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benches have pointed to the fact that progress is being made. Acknowledging that progress has been made is not the same thing as saying that we do not need to make any more progress. Acknowledging that change has occurred is not the same thing as saying that we do not need to make more change in the future. Acknowledging and arguing that our society is strong is not to dispute the fact that our society is still scarred as a consequence of the horrific crash our country, our economy and our people went through. However, not to acknowledge incremental progress that has been made and the steady change in our prospects is wrong.

It was stated by some colleagues here in the House today that no progress at all is being made. Progress is being made. We are making efforts that are having an affect on the lives of people. Of course we acknowledge that there is more that must be done. That is the message that comes out of the summer economic statement. It is a message of ambition and realism. It acknowledges that we have opportunities but is explicit about the risks we face due to the changes in our external environment, whether that be Brexit or what might happen in America, or something that might happen here at home that a future Government may have to respond to, such as the prospect of our economy getting to a point that pricing for projects rises so much that we cannot get value for money. It recognises all of those things.

I heard some Deputies, particularly those associated with the far left, stand up and seek to back up the posters that they have put up in many parts of Dublin which call for a revolution. Who would this revolution benefit? We want to deliver continued change that can benefit all in our society. Let us recognise some of the facts that are contained within this summer economic statement. Let us recognise that in the framework that I am presenting to the House today that we are planning to increase capital expenditure next year by 16.6% versus where it is this year. The year after that we are seeking to increase it by 24% versus the previous year. At the end of this programme we are planning to increase capital expenditure to just under €8 billion, an increase of approximately 75% versus where we were at the lowest point in our difficulties. Anybody who stands up and claims that this is a capital plan which is lacking in ambition is not taking account of the fact that year after year, assuming the continued stability and growth within our economy which we believe we are able to deliver, we are laying out a framework that will increase spending by hundreds of millions of euro year after year for the next number of years. This offers a strengthened framework in which this Government will make choices about how we can better use the resources available to us to deliver on the opportunities we have to respond to the challenge that never ends of how to be fair to all. This is now a level of resource and if colleagues want to go beyond that they have to answer several questions about it, namely, where will we get the money to do it and how can we be sure that going beyond this point will not trigger some of the forces that were central in the recent downfall of our economy. This is why issues of value for money and strong regulation are central to what we will do.

In response to the claims made about fairness, let me offer some facts on the fairness of the redistributive model here. Ireland is the most effective country in the Organisation for Economic Cooperation and Development, OECD, at reducing the level of inequality between pre and post transfer income. In respect of poverty reduction, Ireland has the largest improvements in at-risk poverty rates in the European Union, after taking account of social transfers, which is what social transfers are there for, after taking account of pensions. Those who argue that the measures we have put in place are not delivering improvements for those who need support the most ignore the reality of the cumulative impact of our social transfer policies, not to mention the fact that the way our tax system is set up is one of the most progressive in the European Union.

As I make these points I know that Deputies will offer individual examples of where the need for fairness is not met, of projects that have not gone ahead, of needs that have not been met as quickly as we would all want. I understand this, as does the Government, but if we have learnt anything from what we went through recently it is that if we do not have a sensible economic framework that makes careful choices we will not have the prospects and resources we need to respond to the level of need that I know is there, and to take advantage of the opportunities our country has. When the Taoiseach speaks about the republic of opportunity and the Dáil asks what progress has been made in it to date, I point, for example, to the decision to make available 970 more special needs assistants in our schools. Is that not an example of a government meeting the needs of those who need support the most? I point to the agenda this Government has set out for the rest of the year, looking to put in place a budget that builds on progress made and to make careful choices about how we can achieve more with taxpayers' money. We will then follow that with a ten year capital plan that will lay out for the first time in years in our country a long-term approach to make sound, sensible choices for the taxpayer, accompanied by a planning and spatial framework that meets the needs that the Minister of State, Deputy O'Donovan, described a few moments ago. That is the agenda of a government based on choices about our economic strategy, balancing our books next year, looking at how we can make more effective use of taxpayers' money and how we can make and achieve more of the €60 billion we are planning to deliver next year and we will lay out approaches and thoughts on that in the comprehensive spending review that I will publish soon. This offers a framework that tries to learn the lessons from the past and to acknowledge the new environment in Ireland, where investment in infrastructure is needed in a way that would have seemed unlikely some years ago, and where there is the ability to generate steady levels of increased investment in public services, in schools and hospitals but within a framework such that not only do we do the right thing by those we are privileged to serve and govern now, but also look to make long-term choices to make sure we can maintain the kind of positive change we have seen in our circumstances in a steady way in a changing world.

Sitting suspended at 12.45 p.m. and resumed at 1 p.m.

1 o'clock

Leaders' Questions

Deputy Michael McGrath: In the summer economic statement, published by the Government yesterday, the Government has placed an increased emphasis on capital investment. I believe there is a clear consensus across the House that there is a need to increase investment in the economy. This year we will probably spend approximately €4.5 billion from direct Exchequer funding on capital investment, which is pretty much half of what is was just under ten years ago when, at the peak, €9 billion per year was spent on capital investment.

It is Fianna Fáil's view that instead of redirecting money out of the rainy day fund, which is yet to be established, there are other avenues the Government should pursue more aggressively and more ambitiously to bring about greater capital investment. I cite the example of public private partnerships, PPPs. We are told by the National Treasury Management Agency, NTMA that Ireland should be doing more in the area of public private partnerships. We have pressed the Government on this issue and there will be a review of the domestic 10% rule on the amount

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of investment through public private partnerships. This is welcome. Will the Tánaiste confirm whether the review will be completed in time for the budget and for the announcement of the new national capital plan?

The European Investment Bank has made clear, publicly, that it is prepared to do more by way of investment in PPPs. When one looks at the unmet needs in the economy in Dublin and across the State - be they road projects such as the Cork-Limerick M20 motorway, public transport projects, the need for the roll-out of broadband throughout the country, investment in renewable energy projects, schools and third level institutions - it is our clear view that this avenue presents real potential for greater investment. We learned today that the NTMA has raised money on the markets at negative bond yields. This shows that investors are prepared to pay Ireland for the privilege of lending to us. One thing is absolutely certain, the favourable and benign investment environment that we have now will not last indefinitely. The wheel will turn and we need to lock investment into the Irish economy at the low rates currently available.

The second avenue the Government needs to pursue is the Ireland Strategic Investment Fund, ISIF. The fund has some investments here but more than €6 billion is invested outside Ireland. It is sitting on more than €6 billion in its global portfolio, which is invested in debt and equity instruments everywhere but Ireland. The fund is planning to transition that to Irish investment over a period of five years. Again, there is huge scope for ambitious investment on commercial terms in projects that are badly needed for the economy and for the citizens. Will the Government prioritise exploring those avenues, will it review the role of the Ireland Strategic Investment Fund and will it review the very conservative, and in our view overly restrictive, approach to PPPs for meeting the investment needs of the economy?

The Tánaiste: Deputy Michael McGrath is absolutely right when he said that capital investment fell severely because of the economic situation we faced. The crisis had its impact on our infrastructure and this is what we must now correct. The way we will do so is by prudent management of the economy and in making the very best use of the resources we have in the period ahead.

I will outline what the Government is actually doing. We are providing for a 66% increase by 2021 on the 2016 levels of capital investment. Effectively, this means the State is almost back to the levels of before the economic crash and the crisis. By any standard that is very significant in terms of the potential for investment in capital infrastructure.

The Deputy has made the point that every other avenue should be explored and of course I agree with him. In my own area of responsibility, for example, I met recently met managers involved with the Ireland Strategic Investment Fund to discuss how we can support business. This is an area we need to focus on given the challenges posed by Brexit. I also wish to acknowledge the point - the Deputy has already referred to it - that Ireland's reputation is such that we are in the excellent position in respect of lending and in getting the kinds of rates that make it feasible for us to continue to borrow at very suitable rates to invest in our infrastructure. The summer economic statement is all about how we do that in a way that is sustainable.

The Department of Finance is currently reviewing the role of the Ireland Strategic Investment Fund, which was established at a time when private investment was constrained and the banking system was restricted in its capacity to finance the real economy. Preliminary results acknowledge strong economic growth and an increased availability, as Deputy McGrath has rightly said, of private sector investment. This reflects the progress in the economy and the

financial system since its establishment about which I have already spoken. Importantly, the Department has acknowledged that based on cashflow modelling, it will not be required to fully deploy its funds to meet its mandate. On this basis the Government will consider whether an element of the ISIF should be reoriented towards complementing the role of the rainy day fund.

Deputy Michael McGrath: I thank the Tánaiste. My core point is that direct Exchequer funding of capital investment needs to be ambitiously complemented by additional investment through public private partnerships and the role of the strategic investment fund. Instead of looking at the fund with a view to putting it into the rainy day fund, the Government needs to ensure that the transition of the fund into Irish investment, from the global portfolio with more than €6 billion, must be accelerated. There are projects in every Department and in every part of this country that could be implemented and commenced on commercial terms. The fundamental point is that we are in exceptionally benign times in the context of the investment market. We are raising money at negative interest rates for the first time in our history as far as I am aware. Now is the time to lock in investment at those favourable terms because I can assure the Tánaiste of one thing; those terms will not last forever. Now is the time to do it. There is no point in coming back to the well in a few years' time when we are paying multiples of what we currently pay on interest rates. I ask that the Government explores these avenues in an ambitious way. It will find support from our party in respect of the budget and the investment plan, if it does this in a meaningful and tangible way.

The Tánaiste: The Deputy makes very relevant points on this being a good period for investment. The Government is keenly aware of that. As the Deputy is aware, the Minister, Deputy Donohoe, has been making visits across the EU to discuss that very issue. For the first time the European Investment Bank now has a centre in Dublin. This is very important and is another sign of its support for Ireland. The potential for investment is clearly there.

I agree with Deputy McGrath, as does the Government, that other avenues should be explored for capital funding. That is what we will be doing in the months ahead and in the lead-up to the budget. The bottom line is that compared with where it was, the economy is in such good shape that in the next few years, we will go back to those pre-crash levels of investment in capital infrastructure that everybody knows are badly needed.

Deputy Eoin Ó Broin: The Tánaiste is aware that in May, 1,300 families were living in emergency accommodation funded by the Department of Housing, Planning, Community and Local Government. That is almost 3,000 children who are living in hotels, hostels and bed and breakfast accommodation. These figures do not include the hundreds of adults and children living in Tusla-funded domestic violence emergency and step-down accommodation. Nor do the figures include the 247 adults and 152 children trapped in direct provision who have leave to remain but are unable to secure housing. The Government's monthly homeless report significantly underestimates the numbers of adults and children living in State-funded emergency accommodation. Child homelessness, as I have said many times before on the floor of this Chamber, has increased by a shocking 300% in the six years that Fine Gael has been in government. Even more shocking is the length of time these families and children are being left languishing in hotels and bed and breakfast accommodation. Some 70% of homeless families have been in emergency accommodation for more than six months, with 40% in hostels and hotels for more than a year, and there are at least 200 families in emergency accommodation for between 18 and 24 months.

On taking office, the Minister for Housing, Planning, Community and Local Government,

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Deputy Eoghan Murphy, announced what many of us knew for months, which was that the July target set by the previous Minister, Deputy Coveney, to move families out of hotels and into permanent housing was not going to be met. Instead of permanent homes, these families have received letters telling them what kind of accommodation they will get at some point in the future. According to the Minister, one third are to be moved into permanent homes, one third into short-term and insecure housing assistance payment, HAP, tenancies and one third into family hubs.

I accept that purpose-built emergency accommodation for families is better than a hotel or bed and breakfast accommodation. However, it is not a home and cannot be presented as a solution to the homeless crisis. Yesterday, two important reports were published, one by the Irish Human Rights and Equality Commission and the other by Drs. Murphy and Hearne of NUI Maynooth. Both warned that family hubs run the risk of replacing one problem with another. They warned of long-term institutionalisation and of what one author called therapeutic incarceration. Thankfully, both reports make clear recommendations on how to avoid this. They call for independent inspections of all emergency accommodation, particularly those with children, a three-month legal limit to the length of time a family would stay in emergency accommodation, clear rehousing targets to give these families the homes they so desperately need and a legal sunset clause that all hubs would be closed by 2019.

My question is very simple. Will the Government support and fully implement these key recommendations?

The Tánaiste: My first point relates to the actions that are being taken under Rebuilding Ireland, the Government's multi-stranded action plan to deal with the housing and homelessness issue, with which the Deputy is very familiar. We are creating the right conditions and the environment to increase housing supply, especially in our cities and large towns, and we are encouraging competition among developers. We are making the land available and there is fast-tracking of planning. All those issues will ensure more housing supply will come on stream. We are ring-fencing €5.3 billion in the budget to 2021 to deliver 47,000 additional social houses. All that will help the very families about whom the Deputy is speaking.

The Government agrees that commercial hotels, in the first instance, are not appropriate places for families to live. Of course they are not. Family hubs will provide more appropriate and suitable accommodation for families than hotels. Family hubs are an important first response for families who become homeless and have no alternative to commercial hotels. However, to be clear, we do not believe, and I know the Deputy does not either, that family hubs are a long-term housing solution. There is no question of that. Those families will move into houses and apartments that will be provided under the social housing supports as supply becomes available.

I am familiar with the two reports that were published yesterday and to which the Deputy referred. They make some interesting points about ensuring these family hubs do not become normalised, are seen as short-term solutions and in no way become a longer-term solution for families, and that they continue to be used and seen as short-term accommodation. The key point is to provide more housing for the families using them. The multi-action plan will ensure that. The Minister will examine the recommendations to see if some of them need to be in place, including the legislative recommendations in terms of placing an obligation on local authorities to ensure families do not end up staying on a longer-term basis in family hubs.

Deputy Eoin Ó Broin: I thank the Tánaiste for the response although she did not answer the question I asked. I did not ask what the Government is doing in other aspects of housing policy, and I would have much to criticise in that regard, but what the Government will do specifically to ensure family hubs do not become long-term institutionalised settings for the families there.

The problem is that emergency accommodation is already a long-term reality for families. I quoted the figures to the Tánaiste. Some 70% of families with children currently in emergency accommodation are in there long term. That is according to the six-month definition set in Government policy. It is not enough for the Government to say it does not want hubs to become a long-term intervention. It has to take specific action to prevent it, and I would strongly recommend the actions included in the two reports.

When direct provision was introduced, people warned that what was promised as a temporary intervention would become permanent, and they were right. I appeal to the Tánaiste to respond directly to the four recommendations in these two reports. Will the Government support them and fully implement them?

The Tánaiste: Everyone, including housing authorities, is working very hard to ensure the progression of homeless families to independent tenancies as quickly as possible. Every action that is being taken is targeted at ensuring people will not have to stay in that type of accommodation over a longer period. We have to recognise the numbers that have moved into secure accommodation from homeless accommodation in the course of the past year and the turnover that has been there, although homelessness continues to be a challenging issue and is a priority for the Government to tackle.

Many of the recommendations made by the chief commissioner of the Irish Human Rights and Equality Commission, Ms Emily Logan, are already in train or complete. The Rebuilding Ireland action plan provides for early solutions to address the high number of households in emergency accommodation, including, as I have said, the delivery of social housing supply through the new build, acquisition and refurbishment schemes and independent tenancies for homeless households in the private rental sector through housing supports such as the enhanced housing assistance payment. All that is under way and will ensure families will not spend lengthy periods in these new style family hubs.

Deputy Brendan Howlin: The Tánaiste will be aware that the OECD has completed a review of the second public service reform programme. There is a lot of good to be found in the review. It found that improved transparency and accountability has been delivered, in large part because of the legislation we enacted to regulate lobbyists, to open up freedom of information and to protect whistleblowers. It also confirmed that public servants are delivering additional services with fewer staff and at less cost, which we knew. However, as I said earlier in the debate on the summer economic statement, this proves that the so-called hidden fiscal space is a ball of smoke, but I want to leave that discussion to another time.

The chief negative finding of the OECD report was that outsourcing has not emerged as a systemically viable option for providing public services. This finding will be welcomed by many people who have question marks about the operation of outsourcing initiatives. It also has a much deeper implication, including an implication relating to the continuing delivery of public services via section 39 agencies. These bodies, most of which started out as small scale charities, are often now very large operations. Unlike public services, the people working in them do not have guaranteed wage rates or protected terms and conditions of employment, ex-

cept it seems for some of those who run such bodies. We have had controversy over section 39 agencies in the past. In case anyone has forgotten about them, the Tánaiste knows them.

The internal audit that was focused on today in the *Irish Examiner* makes for stark reading. This is an audit of the Catholic Institute for Deaf People. There were pay levels in excess of HSE levels, multiple credit cards in use, including credit cards in the names of people who had left the organisation, and high levels of expenditure on meals, bottles of whiskey and jewellery. Ten years after the scandal of the FÁS expenses and having had, since 2014, the scandals relating to the section 38 and section 39 agencies, what action will be taken by Government to address the particular example highlighted in the *Irish Examiner* this morning? More significantly, will the Tánaiste outline the general Government view on the provision of services through section 38 and section 39 agencies? Is it now appropriate to begin the task of bringing all public services directly under the ambit of the State so that State-funded services will be provided by the State with all the controls and accountability that would bring?

The Tánaiste: The Deputy raised a number of issues. He started by referring to public sector reform and the OECD report. That report noted that the Public Service Reform Plan 2014-2016 was very successful, by and large, in terms of completing the majority of the activities it set out. The report outlined key lessons and findings. On the subsequent points raised by the Deputy on sections 38 and 39 organisations, it is clear that the section 38 agencies are bound by public service pay policy. Section 39 agencies are somewhat different. However, the key point about this morning's reports is that the HSE itself conducted these audits and found these discrepancies. There has been a history with these issues in the past in other agencies. Now the audits in the agencies are being conducted by the HSE, it is finding out these facts and bringing them to public attention and for action by the Government. That is critical. In addition, the new Charities Regulator has been in place in recent years and is doing very effective work. We now have an organisation tasked with dealing with charities that do not have proper governance and are not abiding by the rules. The regulator has the ability to initiate and carry out inquiries and it has already done that. The charities sector is becoming increasingly aware of the challenges around governance and the need for proper financial reporting, auditing and so forth.

The Deputy referred to the mix between the public and private sectors in the health services. We have that mix at present. There is also the history of the religious being involved. The Minister for Health is bringing forward actions to begin to address this. He will analyse it and decide what is the way forward in terms of separation. Currently, there is a mix of voluntary and public hospitals, as can be seen with the example of Holles Street hospital, and there is also the involvement of the religious in the past. There would be many complex issues in a move to a purely State-run hospital service as we have many voluntary hospitals. However, the Minister is determined to examine and address that and to assess what the pathway forward might be.

Deputy Brendan Howlin: I thank the Tánaiste for indicating that there is a review of these matters. We must make a policy decision now. There will be a long-term process to implement it, covering the lifetimes of many Dáileanna and Governments. However, we are delivering public services in an *ad hoc* manner now, at a cost of billions of euro and through a myriad of agencies. Some of those agencies are service providers because they were charities originally. There is no uniform national baseline in terms of resources, staffing or quality of service. That is no longer valuable. Will the Government go further than simply examining the voluntary hospitals and examine all public service provision to assess whether we can have the objective of having the State, which funds all the services in any event, providing and being responsible for those services, as is the case in most progressive western European countries?

The Tánaiste: What the Deputy said has widespread implications for the role of the community and voluntary sector in providing services. That role has been very valuable and is hugely valued by our communities. We have some excellent services. The idea that every service would solely be in the charge of, and run by, the State would require a great deal of consideration and might not even be desirable. What we need are clear governance arrangements and clear partnership where there is that mix of the public and private sectors. To suggest moving to a model that is one dimensional would be very extreme. As I said, the Minister is examining that mix in the health service. However, it would have huge implications and huge budgetary implications, as the Deputy knows. The Deputy has raised a topic on which there will undoubtedly be more discussion, but I believe the mix we have in the country at present is valuable. A complete separation sounds like an extreme response to the situation we have been discussing in some of our services.

Deputy Thomas P. Broughan: Earlier we discussed the summer economic statements, but perhaps the biggest challenge facing the country is the massive size of Ireland's national debt and the huge chimney stacks of debt, as they are called, which must be refinanced between 2018 and 2020. The 2016 National Treasury Management Agency, NTMA, annual report and the annual report on public debt in Ireland by the Department of Finance make it clear that the national debt is the elephant in the room of the national finances. At the end of 2016, general Government debt stood at €201 billion, which represents between €42,000 and €46,000 for every man, woman and child in the country. The national debt represented 274% of general Government revenue and was nearly 250% of the national wage bill. By these measures Ireland remains one of the most indebted countries in the world alongside Japan, Portugal and Greece. Indeed, on the new reference point of GNI* our national debt is 100%.

The stacks of debt from the crash years must be refinanced in 2018 to 2020 when five benchmark bonds are due to mature. The total balance outstanding on these bonds is currently more than €42 billion. The majority of the bilateral loans received from the UK, Sweden and Denmark after the crash also mature over the same period, so the total refinancing amount is more than €46 billion. Many economists believe that the huge refinancing in 2018 to 2020 carries terrible risks given the emerging fiscal unknowns in this country. For example, Professor Colm Fitzgerald of the school of mathematics and statistics in University College Dublin, UCD, wants the Government and the NTMA to take immediate action to refinance the €50 billion bonds maturing in the next three years now that bond yields are low but are expected to rise. He and other concerned citizens refer to warnings given in 2006 and 2007 by people such as Professor Morgan Kelly.

Ireland is moving into an era of great uncertainty. Almost every day we are startled by another emerging impact of Brexit, as happened recently with fisheries. The Irish Fiscal Advisory Council, IFAC, has rightly warned of the vulnerability of corporation tax receipts. They now account for 15% of our tax, which is twice the EU average. It is somewhat reminiscent of stamp duties before 2008. Most of all, Professor Fitzgerald and other academic economists are worried about the growing asset price bubble being driven by the quantitative easing, QE, programme of the European Central Bank since March 2015. That programme has been tapered down to €60 billion per month and is expected to end in spring 2018. Quantitative easing is printing money primarily to benefit the wealthy in society, those with bonds and other assets whose prices increase. That leads to bubbles and suffering for ordinary citizens, such as people trying to buy houses. However, the double whammy of QE is that it will be followed, as night follows day, with quantitative tightening, as is happening in the United States, and higher inter-

est rates.

Will the Government encourage or direct the NTMA to refinance those stacks of debt, amounting to more than €46 billion or a quarter of the total debt, as urgently as possible while interest rates are low and given the worrying risks in the external economic environment?

The Tánaiste: I ask the Deputy to acknowledge the progress that has been made. He did not support many of the policies that got us to the point where our economy is now doing so well and where we have seen a drop-----

Deputy Thomas P. Broughan: I opposed the bank guarantee that got us into this and which was supported by Fine Gael and Fianna Fáil.

The Tánaiste: -----in unemployment from 15% to 6%. The NTMA is an extremely professional body. It has managed us through the crisis and overseen a situation where we have moved from being charged interest rates of 14% to one where they are down to 1%. I have confidence in it to continue to manage the debt. That the economy is in the current position is extremely important in terms of the rates at which we can borrow. It means we can continue to have a balanced approach to dealing with our debt, which we must do. The Deputy regularly calls for investment in infrastructure and our social services. We must also do that. We must achieve a balance between managing the debt and getting the debt-to-GDP ratio down and continuing the investment that is so necessary. That is the approach the Government is taking. The Minister for Finance, Deputy Donohoe, made that clear yesterday when speaking on the summer economic statement, which sets out a practical approach for the careful and prudent management of our economy. At the same time, it will ensure we invest in the services we need, negotiate pay agreements that are manageable and affordable and, above all, make the kind of decisions that ensure citizens have a good quality of life because we have good transport infrastructure and good health, education and other services. Just this week, we made a decision to invest in more special needs assistants in schools. We can make this type of decision because we have the right approach to managing the economy and the national debt and we are ensuring we can continue to invest.

Deputy Thomas P. Broughan: The Tánaiste did not remotely answer the question. The State has spent more than €40 billion on interest repayments since the crisis of 2008-09, which Fine Gael and Fianna Fáil got us into. Even this year, we will spend €7 billion on interest payments, which is almost as much as the budget of the Department of Education and Skills. We cannot even discuss this issue because this money goes straight to the Central Fund.

I am well aware of the efforts being made by the National Treasury Management Agency, NTMA, to reduce risks to Ireland in refinancing the 2018-20 bonds. In its 2016 report, a copy of which I have before me, the NTMA refers to locking in low interest rates and longer maturities while interest rates remain at historically low levels. The agency has reduced the global figure from approximately €70 billion to approximately €46 billion and last year, it issued the country's first 100-year bond. It also has €21 billion in the kitty. Just a few weeks ago, Mr. Conor O'Kelly, the NTMA's chief executive officer, and Mr. Frank O'Connor, its director of funding, visited Leinster House to brief me extensively on this matter.

Professor John FitzGerald and others still fear the Government and NTMA are taking too much of an accounting rather than actuarial approach to the national debt. Asset prices have increased fuelled by quantitative easing and interest rate, while fiscal shocks are likely when the

money pump is switched off. No one can predict the impact of the unstable Trump Presidency. If Britain leaves the European Union in March 2019, the economy will be in some danger. We could be about to enter a perfect fiscal storm. Some economists believe there is a danger of a return of the troika. Will the Tánaiste ask the Taoiseach and Minister for Finance to meet representatives of the National Treasury Management Agency to encourage the agency to move fast to refinance our debt in the 2018-20 period? The Minister for Education and Skills, Deputy Bruton, should note that this is a serious matter because the next Government will have to deal with it.

The Tánaiste: We had to borrow in recent years because we wanted to protect our investment in public services, which is what the Deputy and all other Deputies would have wanted.

Deputy Thomas P. Broughan: The Fine Gael Party voted to slash public services when a few of us stood alone. Fine Gael and Fianna Fáil got us into this and destroyed our public services.

The Tánaiste: Most Deputies support borrowing to continue the investment during a period of crisis.

Deputy Thomas P. Broughan: The Tánaiste talks about section 39 bodies. Her Government is responsible for getting us into this mess.

The Tánaiste: The important point is that we were able to borrow at manageable interest rates. As a result of Government action and because our reputation has been restored, we have been able to borrow at rates that are sustainable, having declined from 14% to 1%. The Deputy should also recognise that the unemployment rate has decreased from 15% to 6%, which makes a difference to his constituents who want public services maintained. The prudent management of the economy has allowed us to do that.

Business of Dáil

An Ceann Comhairle: Before moving to Questions on Promised Legislation, I understand the Government Whip wishes to propose some revisions to the schedule for today and tomorrow.

Minister of State at the Department of the Taoiseach (Deputy Joe McHugh): It is proposed, notwithstanding the Orders of the Dáil of 11 July, that the proceedings on No. *d*10, motion re the establishment of the Joint Committee on the Future of Mental Health Care, and No. *e*10, motion re Standing Order 147, shall be taken without debate after Questions on Promised Legislation; any division demanded on the proceedings on No. *b*10, motion re defence – proposed approval by Dáil Éireann of the deployment of a contingent of the Permanent Defence Force to serve as part of EUNAVFOR MED, Operation Sophia - shall be taken immediately; the Dáil shall sit later than 11 p.m. today and adjourn on the conclusion of Topical Issues; questions to the Minister for Housing, Planning, Community and Local Government shall be taken on the conclusion of the Government business or at 9.12 p.m., whichever is the earlier; and the Dáil shall sit later than 6 p.m. tomorrow and adjourn not later than 8 p.m.

Deputy Brendan Howlin: At what time is it proposed to resume the discussion on the mo-

tion re defence?

Deputy Joe McHugh: It will resume immediately after the 30-minute sos, which will take place after the voting bloc.

Deputy Richard Boyd Barrett: We disagree with two of the proposals. What is the procedure for dealing with them?

An Ceann Comhairle: With which proposals does the Deputy disagree?

Deputy Richard Boyd Barrett: We disagree with the motion on Standing Order 147 and the proposal to put the motion on defence to a vote. I can explain the reasons we oppose the proposals.

An Ceann Comhairle: The Deputy may as well make a statement.

Deputy Richard Boyd Barrett: As for the motion on defence, I was speaking in the Chamber and could not attend the meeting of the business management committee. However, I understand a number of Deputies made clear at the meeting that the motion, which would result in the deployment of the triple lock mechanism for only the fourth time, in this case to change the status of the Naval Service's role in the Mediterranean from a humanitarian mission to deployment in search and destroy activities, is a fundamental attack on the neutral position of the Naval Service. It should not be pushed to a vote before sufficient time has been provided to debate it and the public is made fully aware of the proposal.

The motion re Standing Order 147 proposes a significant change in the ability of Opposition parties to introduce Private Members' Bills. Under this proposal, such Bills may be ruled out of order on the ground that they are substantially similar to another Bill. This is completely unacceptable. What does "substantially similar" mean? This change will be used as a means of reducing the capacity of Private Members and the Opposition to introduce Bills. We do not accept the motion being rushed through the House without debate.

An Ceann Comhairle: The Government will explain its position in respect of the defence motion, which was debated at length in the Business Committee this morning when the concerns raised by the Deputy were discussed in detail. On the motion re Standing Order 147, which deals with substantially similar legislation, this matter was also debated at some length by the Dáil reform committee.

Deputy Bríd Smith: Some members dissented.

An Ceann Comhairle: While agreement was not unanimous, the overwhelming majority of members agreed to the proposal.

Deputy Bríd Smith: That does not mean the proposal should not be debated.

Deputy Joe McHugh: On the defence motion, out of respect to the Business Committee, at which there is good co-operation, I stated I would take back the concerns raised by members. I arranged a meeting with the Chief of Staff, Secretary General and Minister of State at the Department of Defence, Deputy Kehoe, to discuss the issues raised by Deputies Brendan Ryan and Clare Daly. The reason for the urgency in dealing with this issue is that it involves a time-limited commitment. The Government has made a commitment to implement the deployment before the end of the year. As Operation Sophia only extends as far as December, the triple lock

mechanism will have to be used again if it is to be extended. The Government's commitment in this regard is only until the end of December. A request was made to delay a decision in the matter until September. If the motion is passed today, which is the prerogative of the Dáil, it will take up to two months to do the preparatory work required. If we wait until mid-September to vote on the motion, two months of preparatory work will still be required. Given that the deployment will only last until the end of December, the commitment is time limited.

Deputy Brendan Howlin: Two different decisions must be taken because my party wishes to support one proposal and oppose another.

An Ceann Comhairle: I am afraid we will take both matters together.

Deputy Brendan Howlin: That is impossible.

Deputy Bríd Smith: We cannot do that. They are completely separate matters.

An Ceann Comhairle: Is an amendment to the Order of Business proposed?

Deputy Brendan Howlin: I propose amending the Order of Business to determine each issue separately.

An Ceann Comhairle: Is that agreed? Agreed. We will first deal with the proposal that any division demanded on the proceedings on No. b10, motion re defence, be taken immediately.

Question put: "That the proposal for dealing with the motion be agreed to."

<i>The Dáil divided: Tá, 92; Níl, 45; Staon, 0.</i>		
<i>Tá</i>	<i>Níl</i>	<i>Staan</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>Breen, Pat.</i>	<i>Buckley, Pat.</i>	
<i>Brophy, Colm.</i>	<i>Burton, Joan.</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>Cahill, Jackie.</i>	<i>Daly, Clare.</i>	
<i>Calleary, Dara.</i>	<i>Doherty, Pearse.</i>	
<i>Canney, Seán.</i>	<i>Ellis, Dessie.</i>	
<i>Cannon, Ciarán.</i>	<i>Fitzmaurice, Michael.</i>	
<i>Carey, Joe.</i>	<i>Funchion, Kathleen.</i>	
<i>Casey, Pat.</i>	<i>Healy, Seamus.</i>	
<i>Cassells, Shane.</i>	<i>Howlin, Brendan.</i>	

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<i>Chambers, Lisa.</i>	<i>Kelly, Alan.</i>	
<i>Collins, Niall.</i>	<i>Kenny, Gino.</i>	
<i>Corcoran Kennedy, Marcella.</i>	<i>McDonald, Mary Lou.</i>	
<i>Cowen, Barry.</i>	<i>McGrath, Mattie.</i>	
<i>Curran, John.</i>	<i>Martin, Catherine.</i>	
<i>D’Arcy, Michael.</i>	<i>Mitchell, Denise.</i>	
<i>Daly, Jim.</i>	<i>Munster, Imelda.</i>	
<i>Deasy, John.</i>	<i>Murphy, Catherine.</i>	
<i>Deering, Pat.</i>	<i>Murphy, Paul.</i>	
<i>Doherty, Regina.</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’Reilly, Louise.</i>	
<i>Fitzgerald, Frances.</i>	<i>O’Sullivan, Jan.</i>	
<i>Fitzpatrick, Peter.</i>	<i>O’Sullivan, Maureen.</i>	
<i>Flanagan, Charles.</i>	<i>Penrose, Willie.</i>	
<i>Griffin, Brendan.</i>	<i>Quinlivan, Maurice.</i>	
<i>Halligan, John.</i>	<i>Ryan, Brendan.</i>	
<i>Harris, Simon.</i>	<i>Sherlock, Sean.</i>	
<i>Harty, Michael.</i>	<i>Shortall, Róisín.</i>	
<i>Haughey, Seán.</i>	<i>Smith, Bríd.</i>	
<i>Heydon, Martin.</i>	<i>Stanley, Brian.</i>	
<i>Humphreys, Heather.</i>	<i>Tóibín, Peadar.</i>	
<i>Kehoe, Paul.</i>		
<i>Kyne, Seán.</i>		
<i>Lahart, John.</i>		
<i>Lawless, James.</i>		
<i>Lowry, Michael.</i>		
<i>MacSharry, Marc.</i>		
<i>McConalogue, Charlie.</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>Madigan, Josepha.</i>		
<i>Martin, Micheál.</i>		
<i>Mitchell O’Connor, Mary.</i>		
<i>Moran, Kevin Boxer.</i>		

<i>Moynihan, Aindrias.</i>		
<i>Murphy O'Mahony, Margaret.</i>		
<i>Murphy, Dara.</i>		
<i>Murphy, Eoghan.</i>		
<i>Murphy, Eugene.</i>		
<i>Naughten, Denis.</i>		
<i>Naughton, Hildegarde.</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>Smith, Brendan.</i>		
<i>Smyth, Niamh.</i>		
<i>Stanton, David.</i>		
<i>Troy, Robert.</i>		
<i>Zappone, Katherine.</i>		

Tellers: Tá, Deputies Joe McHugh and Tony McLoughlin; Níl, Deputies Richard Boyd Barrett and Brendan Ryan.

Question declared carried.

Question put: "That the proposal for dealing with Standing Order 147 be agreed to."

<i>The Dáil divided: Tá, 123; Níl, 13; Staon, 0.</i>
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<i>Tá</i>	<i>Níl</i>	<i>Stáon</i>
<i>Adams, Gerry.</i>	<i>Barry, Mick.</i>	
<i>Aylward, Bobby.</i>	<i>Boyd Barrett, Richard.</i>	
<i>Bailey, Maria.</i>	<i>Broughan, Thomas P.</i>	
<i>Barrett, Seán.</i>	<i>Collins, Joan.</i>	
<i>Brady, John.</i>	<i>Collins, Michael.</i>	
<i>Brassil, John.</i>	<i>Connolly, Catherine.</i>	
<i>Breathnach, Declan.</i>	<i>Coppinger, Ruth.</i>	
<i>Breen, Pat.</i>	<i>Healy, Seamus.</i>	
<i>Brophy, Colm.</i>	<i>Kenny, Gino.</i>	
<i>Bruton, Richard.</i>	<i>McGrath, Mattie.</i>	
<i>Buckley, Pat.</i>	<i>Murphy, Paul.</i>	
<i>Burke, Peter.</i>	<i>O'Sullivan, Maureen.</i>	
<i>Burton, Joan.</i>	<i>Smith, Bríd.</i>	
<i>Butler, Mary.</i>		
<i>Byrne, Catherine.</i>		
<i>Byrne, Thomas.</i>		
<i>Cahill, Jackie.</i>		
<i>Calleary, Dara.</i>		
<i>Canney, Seán.</i>		
<i>Cannon, Ciarán.</i>		
<i>Carey, Joe.</i>		
<i>Casey, Pat.</i>		
<i>Cassells, Shane.</i>		
<i>Chambers, Jack.</i>		
<i>Chambers, Lisa.</i>		
<i>Collins, Niall.</i>		
<i>Corcoran Kennedy, Marcella.</i>		
<i>Cowen, Barry.</i>		
<i>Crowe, Seán.</i>		
<i>Cullinane, David.</i>		
<i>Curran, John.</i>		
<i>D'Arcy, Michael.</i>		
<i>Daly, Clare.</i>		
<i>Daly, Jim.</i>		
<i>Deasy, John.</i>		
<i>Deering, Pat.</i>		
<i>Doherty, Pearse.</i>		
<i>Doherty, Regina.</i>		
<i>Donnelly, Stephen S.</i>		
<i>Donohoe, Paschal.</i>		
<i>Dooley, Timmy.</i>		

<i>Durkan, Bernard J.</i>		
<i>Ellis, Dessie.</i>		
<i>Fitzgerald, Frances.</i>		
<i>Fitzmaurice, Michael.</i>		
<i>Fitzpatrick, Peter.</i>		
<i>Flanagan, Charles.</i>		
<i>Fleming, Sean.</i>		
<i>Funchion, Kathleen.</i>		
<i>Griffin, Brendan.</i>		
<i>Halligan, John.</i>		
<i>Harris, Simon.</i>		
<i>Harty, Michael.</i>		
<i>Haughey, Seán.</i>		
<i>Heydon, Martin.</i>		
<i>Howlin, Brendan.</i>		
<i>Humphreys, Heather.</i>		
<i>Kehoe, Paul.</i>		
<i>Kelly, Alan.</i>		
<i>Kyne, Seán.</i>		
<i>Lahart, John.</i>		
<i>Lawless, James.</i>		
<i>Lowry, Michael.</i>		
<i>MacSharry, Marc.</i>		
<i>McConalogue, Charlie.</i>		
<i>McDonald, Mary Lou.</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>Madigan, Josepha.</i>		
<i>Martin, Catherine.</i>		
<i>Martin, Micheál.</i>		
<i>Mitchell O'Connor, Mary.</i>		
<i>Mitchell, Denise.</i>		
<i>Moran, Kevin Boxer.</i>		
<i>Moynihan, Aindrias.</i>		
<i>Munster, Imelda.</i>		
<i>Murphy O'Mahony, Margaret.</i>		
<i>Murphy, Catherine.</i>		
<i>Murphy, Dara.</i>		

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<i>Murphy, Eoghan.</i>		
<i>Murphy, Eugene.</i>		
<i>Naughten, Denis.</i>		
<i>Naughton, Hildegarde.</i>		
<i>Neville, Tom.</i>		
<i>Nolan, Carol.</i>		
<i>Noonan, Michael.</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>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'Reilly, Louise.</i>		
<i>O'Rourke, Frank.</i>		
<i>O'Sullivan, Jan.</i>		
<i>Penrose, Willie.</i>		
<i>Phelan, John Paul.</i>		
<i>Quinlivan, Maurice.</i>		
<i>Rabbitte, Anne.</i>		
<i>Ring, Michael.</i>		
<i>Rock, Noel.</i>		
<i>Ross, Shane.</i>		
<i>Ryan, Brendan.</i>		
<i>Scanlon, Eamon.</i>		
<i>Sherlock, Sean.</i>		
<i>Shortall, Róisín.</i>		
<i>Smith, Brendan.</i>		
<i>Smyth, Niamh.</i>		
<i>Stanley, Brian.</i>		
<i>Tóibín, Peadar.</i>		
<i>Troy, Robert.</i>		
<i>Zappone, Katherine.</i>		

Tellers: Tá, Deputies Joe McHugh and Tony McLoughlin; Níl, Deputies Richard Boyd Bar-

rett and Bríd Smith.

Question declared carried.

2 o'clock

An Ceann Comhairle: Can I take it that the balance of the Government's proposal in respect of business for the remainder of the week is agreed? Agreed.

Questions on Promised Legislation

An Ceann Comhairle: We have 15 minutes for Questions on Promised Legislation and I have a list of 25 Deputies who want to contribute.

Deputy Michael McGrath: Last evening, the House debated the Fianna Fáil's Mortgage Arrears Resolution (Family Home) Bill 2017, on which the House, when we vote shortly, will have its say. I know the Government is opposing this Private Members' Bill. There were two notable aspects to last night's debate. The only two speakers on the Government side were Ministers; no Government backbencher contributed. Notable by their absence were Members from the Independent Alliance, who made a great play during last year's negotiations on the issue of mortgage arrears. Also noticeable was that neither Government speaker mentioned the mortgages special court Bill. One could not but reach the conclusion that the Government has abandoned all plans to introduce a dedicated new court to deal with the issue of mortgage arrears. It was not even referenced by either of the Ministers from the Department of Justice and Equality last night when responding to an issue relating to mortgage arrears. The Tánaiste will be familiar with this as she was the line Minister up to a few weeks ago. Does the Government still plan to introduce that Bill and, if so, what is the current position in respect of it?

The Tánaiste: Quite a number of the programme for Government commitments we made have been implemented. There are some constitutional difficulties with the special court that are still being examined.

Deputy Eoin Ó Broin: There is a promise in the programme for Government regarding the provision of €42 billion in capital investment, including in respect of infrastructure. While this is obviously good news, too many construction workers are being forced into bogus self-employment contracts. In March, a full four months ago, I asked when the report led by the Department of Finance on bogus subcontracting would be published. At the time the then Minister for Social Protection and now Taoiseach said it would be published in a number of weeks. It is now four months later and there is still no action from Government. The Irish Congress of Trade Unions estimates that this practice has cost the State €80 million annually since 2007 - twice the amount lost to the Exchequer from overpayments and social welfare fraud - but we are not seeing the same level of attention from Ministers on that loss of revenue as we are in respect of the others. When will the report be published? When will the Government introduce the necessary legislation? When will Government start to take serious action to protect workers and the taxpayer and drive out bogus subcontracting?

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The Tánaiste: The Minister for Finance will revert to the Deputy on that.

Deputy Joan Burton: On the same issue, when I was Tánaiste and Minister for Social Protection, I commissioned a report on the issue of people in low-paid employment who are being disguised as self-employed. This is not out of any choice of theirs; it is because it is their only way of getting employment. Many people are being exploited across a range of sectors, from the construction sector to the hospitality sector and tourism. This includes at times driving tour buses and delivering other hospitality elements. I am quite sure that this work, which was undertaken in great detail with approximately 23 submissions from the Department of Finance and the Department of Social Protection, is now gathering dust on a shelf somewhere while this issue fails to be resolved.

An Ceann Comhairle: I thank the Deputy; her time is up.

Deputy Joan Burton: Second, we also set up the commission to review low pay annually.

An Ceann Comhairle: We cannot have a debate on the issue.

Deputy Joan Burton: That report should have been published last week.

An Ceann Comhairle: A question, please.

Deputy Joan Burton: This matter now falls within the Tánaiste's remit. When will we move to a living wage-----

An Ceann Comhairle: Deputy, please-----

Deputy Joan Burton: -----which was agreed by the previous Government and which seems to have gone on the back burner? When will the Government publish the report?

The Tánaiste: I ask the Minister for Social Protection to respond.

Minister for Social Protection (Deputy Regina Doherty): I assure the Deputy that her report is certainly not gathering dust. Work is being done in the Department on the issue of bogus self-employed people.

Deputy Joan Burton: When will the Minister publish the report?

Deputy Regina Doherty: When we are ready.

Deputy Joan Burton: When the Minister is ready. Does that mean never?

Deputy Regina Doherty: We cannot publish it until it is right.

Deputy Joan Burton: Never.

An Ceann Comhairle: Please, Deputy-----

Deputy Gino Kenny: The Joint Committee on Health's Report on Scrutiny of the Cannabis for Medicinal Use Regulation Bill 2016 was published at 12.30 p.m. yesterday. Before it was published, the Tánaiste's colleague, Deputy Kate O'Connell, appeared on a radio show basically lambasting the Bill. This is not the first time she has lambasted it. It is wholly inappropriate that the Deputy appeared on radio and was severely critical of the Bill before the report was published. The report itself is shambolic, to say the least. It has missed out all clinical evidence

on medicinal cannabis.

An Ceann Comhairle: Does the Deputy have a question?

Deputy Gino Kenny: Yes, I have. What will the Tánaiste do about this, because what has happened is that the Bill I introduced has been shelved? The situation in Ireland is that medical refugees are going to Holland and Spain-----

An Ceann Comhairle: The time is up.

Deputy Gino Kenny: -----to receive medical advice and treatment. The Government has to live with that.

An Ceann Comhairle: All right. The time is up.

Deputy Gino Kenny: The Government has to look at people-----

An Ceann Comhairle: Could the Deputy please let us move on?

Deputy Gino Kenny: -----in this country with chronic pain being completely ignored. What is the Government going to do about that?

The Tánaiste: There were very serious problems with the Deputy's Bill. It had very many unintended consequences and it was the health committee itself that decided it should not proceed to the next Stage.

Deputy Gino Kenny: It was biased from the very start. The HPRa informed us as well.

An Ceann Comhairle: The Deputy should please let the Tánaiste respond.

The Tánaiste: We have a health committee set up to examine and carry out pre-legislative scrutiny on Bills. When it examined the Deputy's Bill it found that it was not fit for purpose in the sense that there were unintended consequences, both legal and otherwise, including leakage of supply of cannabis to the recreational market-----

Deputy Gino Kenny: How about opiates?

The Tánaiste: -----and a lack of safeguards against harmful use of cannabis by patients. The use of medicinal cannabis has been taken on board by the Minister for Health. As the Deputy is aware, he asked for a report from the expert group. I believe we should be led by clinicians when it comes to this issue and he is making sure that there will be a medicinal cannabis access programme.

Deputy Richard Boyd Barrett: Could I speak on the same issue?

Deputy Gino Kenny: How about the IMO?

An Ceann Comhairle: Deputy Gino Kenny should resume his seat.

Deputy Gino Kenny: The IMO passed a motion two months ago at its AGM calling for legislative scrutiny of the Bill.

An Ceann Comhairle: Deputy Kenny is being disruptive.

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Deputy Gino Kenny: That was ignored.

An Ceann Comhairle: Deputy Kenny should please resume his seat.

Deputy Gino Kenny: I asked Deputy Harty to bring the Bill forward.

An Ceann Comhairle: This is a democratic forum. Will Deputy Kenny respect that fact and resume his seat?

Deputy Gino Kenny: Yes, and this is a flawed document.

An Ceann Comhairle: Will he resume his seat?

Deputy Gino Kenny: This is a flawed document.

An Ceann Comhairle: It may well be a flawed document but this is not the time or place to deal with that matter.

Deputy Gino Kenny: It is the place.

An Ceann Comhairle: The Deputy should resume his seat.

Deputy Gino Kenny: This place is a kip.

Deputy Barry Cowen: Did you hear that, a Cheann Comhairle?

An Ceann Comhairle: The Deputy should resume his seat.

Deputy Richard Boyd Barrett: Could I speak on the same issue?

An Ceann Comhairle: Excuse me. Will Deputy Kenny resume his seat?

Deputy Richard Boyd Barrett: Could I speak on the same issue, a Cheann Comhairle?

An Ceann Comhairle: No. We cannot take another question on the same issue? I call Deputy Mattie McGrath.

Deputy Mattie McGrath: I wish to raise the situation regarding the proposed amalgamation of Cahir boys and Cahir girls national schools in Cahir. This has been continuing for more than 18 years. In 2002 a technical report was put forward for the amalgamation of both schools. Later, in 2004 all parties approved a further technical report. The amalgamation schedule was approved and agreed by both boards of management and they also agreed to put in a special needs unit. In 2009 I was told in this House by the Minister of State that the amalgamation would go ahead-----

An Ceann Comhairle: That is not relevant.

Deputy Mattie McGrath: It is relevant under the programme for Government in terms of the education of our children. It is very important. Of course it is relevant.

An Ceann Comhairle: It is not relevant, by any stretch of the imagination.

Deputy Mattie McGrath: Where stands the amalgamation at this stage? They are two wonderful schools and they are in an awful condition. They need progress as quickly as possible.

An Ceann Comhairle: Will the Minister for Education and Skills speak to us on that matter?

Minister for Education and Skills (Deputy Richard Bruton): I will organise a response for the Deputy.

Deputy Declan Breathnach: This may be my last opportunity before the recess but I hope it will not be a lost opportunity to raise the commitment to deliver the planned Narrow Water Bridge, which is on page 141 of the programme for Government. This is a shovel-ready project on which some €2.3 million has been spent to date in preparation for the work. The reason I raise the matter with the Tánaiste and relevant Minister is that while the project has full planning permission on the southern side because it was a compulsory purchase order, CPO, the permission will run out in October 2017 on the northern side if a renewal process is not put in place. I do not wish to see this project lost by stealth. I call on the Government to make a renewed effort on the basis of money being available through the DUP or otherwise to ensure this project gets started and that negotiations go on North and South in the absence of an Executive to deliver it.

The Tánaiste: The Deputy is correct; this is a North-South issue, and it has been raised at quite a number of the North-South ministerial meetings. Hopefully, the parties can get together and form the Assembly in order that projects such as this can be progressed.

Deputy Maurice Quinlivan: I wish to raise ticket-touting legislation with the Tánaiste. Last weekend we again saw consumers getting ripped off by ticket touts reselling Ed Sheeran tickets. In fairness to Ed Sheeran and his promoters, they had the initiative to try and prevent the resale of tickets for his shows, but the problem still persisted and it is clear that legislation is needed to tackle this problem. I introduced my own Bill in March aimed at curbing the abuse of the entertainment ticketing system in Ireland. It would have introduced legislation to take the profit from ticket touts and also protect those who bought tickets in good faith but were subsequently unable to attend. Fianna Fáil and Fine Gael decided to defer discussion of the Bill after Second Stage for nine months, for no real reason. Has the Government any plans to deal with this continuing problem?

The Tánaiste: I understand the Deputy published a Private Members' Bill on the issue but no decision has been taken on when to take it.

Deputy Pat Buckley: In the programme for Government it is stated that the mental health budget would be increased annually in order to implement A Vision for Change. The review of the programme for Government did not contain a single mention of mental health, following the paltry €15 million in additional funding announced in budget 2017. That is barely enough for the service to stand still. It is the case that 47% of child and adolescent mental health services, CAMHS, positions are not filled. Due to the growth in population the indication is that adequate staffing levels will not be reached until 2040. We have just three of the 14 recommended crisis houses, which are all in one community healthcare organisation, CHO, and just 63 of the minimum 100 beds needed for CAMHS, and 11 of those are under threat of closure. Will the Government commit to a substantial increase on last year's budget and at least double the additional investment in mental health?

The Tánaiste: Mental health services remain a priority for the Government and the point the Deputy made will be considered in the context of the budget this year. A huge amount of

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recruitment has taken place for local CAMH services. We have seen a huge increase on the ground of teams delivering CAMH services around the country but recruitment, in particular, and retention of staff in the area remains an ongoing difficulty. Every effort is being made to recruit the appropriate range of interdisciplinary specialists so that those services can be delivered. It is not always about providing the funding; it is about trying to find the staff who are available to develop the multidisciplinary teams around the country.

Deputy Peter Fitzpatrick: The human tissue Bill was to meet the key recommendation of the Madden report that no hospital post mortems could be carried out or no tissue retained after post mortems without consent. The human tissue Bill also tackles the problem of the low availability of organs for transplantation due to a fall in the number of donors. The lack of donors has led to bleak prospects for hundreds of people in desperate need of transplantation. Could the Tánaiste please tell me when she expects the human tissue Bill to come before the House?

The Tánaiste: Approval to draft the Bill was given at Cabinet this week.

Deputy Peadar Tóibín: Page 83 of the programme for Government has the stated objective that older people would remain living in their homes independently. Tomorrow, the HSE seeks to close St. Michael's day care centre for older people in Navan. It is a critical service and for many of the users it is the only social contact they have in the entire week. The centre also provides access for mental health services and physical health services for those people. Many of the people who avail of the service will be forced either to have home help hours or to consider nursing home options. Could the Tánaiste make a commitment that the closure of the service will be postponed until a fix is in place?

Deputy Shane Cassells: The programme for Government also has a commitment to building capacity for emergency and acute services by reducing the number of people going into hospital. The decision to close the facility was announced at 4.10 p.m. on Tuesday by the HSE. It will put 124 elderly patients out onto the street. The service has existed for 34 years in Navan. Last month the Taoiseach said from now on the HSE would show compassion and common sense. How can he stand over a situation where 124 people will be thrown out on the street tomorrow afternoon? Where is the compassion or common sense in that? I urge the HSE to postpone the decision. The HSE has said it will secure an additional building. It has had five months to secure it and nothing has been done.

The Tánaiste: I understand there were some fire and security issues in relation to the building which clearly necessitated that decision.

Deputy Peadar Tóibín: Fix them.

The Tánaiste: I do not have the precise details so I will ask the Minister to communicate with both Deputies who have raised this issue. The Government has begun the consultation on the development of home care and making sure we have more substantial investment in home care generally. Such services are very supportive of keeping people in their home.

Deputy Shane Cassells: The HSE will not spend the money.

The Tánaiste: I will ask the Minister to link with both Deputies, given the seriousness of the issue they raised.

Deputy Tony McLoughlin: The programme for Government makes specific provision in

respect of increasing jobs in rural Ireland. I am unsure if the Tánaiste is aware that in Sligo, the IDA is now advising that its site in Finisklin is full of units while other lands it owns at Oakfield are not accessible due to there being no road constructed on the western distributor route. I ask the Tánaiste to give an undertaking to investigate this issue with the IDA and the Minister for Transport, Tourism and Sport so that funding will be provided for these lands to be opened up. I ask her to ensure the IDA visits to Sligo will continue and that new factory units can be constructed.

The Tánaiste: Regional development and jobs across the country, including in Sligo, are a critical part of what we want to achieve in the months and years ahead. I will get details for the Deputy and communicate further with him on the issues he has raised.

An Ceann Comhairle: My apologies to all those Deputies-----

Deputy Richard Boyd Barrett: On a point of order, I asked to come in on a similar issue to Deputy Gino Kenny. The Ceann Comhairle did not allow it but he then let several other people do exactly that on other issues.

Deputy Barry Cowen: I did not get to come in at all.

An Ceann Comhairle: Deputy Boyd Barrett asked to come in-----

Deputy Richard Boyd Barrett: On the same issue.

An Ceann Comhairle: -----when the issue had already been raised and addressed by the Tánaiste. If a Deputy indicates in advance when a matter is raised, I have no difficulty. The Deputy cannot come in after the event. He has made his point of order so I ask him to resume his seat.

Deputy Richard Boyd Barrett: I have not, actually.

An Ceann Comhairle: You have.

Deputy Richard Boyd Barrett: I have not. I am making a point of order. This is the last day of the Dáil.

Deputy Robert Troy: No, tomorrow is the last day.

Deputy Barry Cowen: It might be the last day for him.

(Interruptions).

Deputy Richard Boyd Barrett: This is the last chance we will have to question what is on the Dáil schedule.

Deputy John Brassil: The same applies to everyone.

Deputy Richard Boyd Barrett: A report has been produced about Deputy Gino Kenny's medicinal cannabis Bill-----

An Ceann Comhairle: Deputy, resume your seat.

Deputy Richard Boyd Barrett: -----where it has been stated that this Bill is going to be stopped even though it was passed democratically last December.

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An Ceann Comhairle: Resume your seat.

Deputy Richard Boyd Barrett: That is a subversion of the authority of the Dáil.

The Tánaiste: It is not. That is absolutely incorrect.

Deputy Richard Boyd Barrett: It is.

An Ceann Comhairle: Would you please resume your seat?

The Tánaiste: The health committee made a decision.

Deputy Richard Boyd Barrett: The health committee has no right to decide that a Bill that was passed by this House is not going any further.

The Tánaiste: It has every right.

An Ceann Comhairle: I am asking you to resume your seat. Will you resume your seat?

Deputy Richard Boyd Barrett: No.

An Ceann Comhairle: The House stands suspended until Deputy Boyd Barrett resumes his seat.

Sitting suspended at 2.25 p.m. and resumed at 2.30 p.m.

An Ceann Comhairle: Perhaps for the benefit of-----

Deputy Declan Breathnach: A Cheann Comhairle-----

An Ceann Comhairle: Just a second, Deputy. I want to clarify the position in respect of a Bill that has been the subject of some debate.

Deputy Richard Boyd Barrett: The Cannabis for Medicinal Use Regulation Bill 2016.

An Ceann Comhairle: Yes, the Cannabis for Medicinal Use Regulation Bill 2016. An all-party Oireachtas committee, which is chaired by a respected Independent Deputy, has produced a report on the matter.

Deputy Richard Boyd Barrett: We are not on that committee.

An Ceann Comhairle: That report will form the basis of a motion that will have to come before the House in September. When that motion comes before the House, I expect that the Business Committee will provide for an opportunity for the matter to be debated. That is the procedure. That is the democratic process in action and in operation. I appeal to Deputy Boyd Barrett to respect that process. It has worked in the past. I do not see why it would not work in relation to the particular issues about which he is concerned.

Deputy Richard Boyd Barrett: I would like to respond briefly. For the record, it is not an all-party committee. The party and group that put forward this Bill is not represented on the committee. I think there has been an absolutely outrageous sabotage of this Bill for the most spurious of reasons. Medical evidence from doctors, the Irish Medical Organisation, Professor Mike Barnes, Professor David Finn and many other people who are experts in this area has been distorted and denied. Instead, the committee has relied on expert evidence from the pharma-

ceutical industry.

An Ceann Comhairle: We cannot get involved in the debate.

Deputy Richard Boyd Barrett: I will finish on this point. The procedural clarification given by the Ceann Comhairle was necessary because the message that went out from the Chairman of the committee and other members of the committee was to the effect that they had a right to stop this Bill from proceeding to Committee Stage. They do not have that right. Only the Dáil has that right. In fact, Standing Order 141 suggests that once a Bill goes past Second Stage, notwithstanding the right of the committee to scrutinise it or to refer it back to the Dáil, it will go to Committee Stage. Many other Bills, including Deputy McLoughlin's Bill, have been substantially changed on the basis of legal advice, but have still gone to Committee Stage. In this case, the Bill is being sabotaged by all the representatives on the health committee. The Deputies who put the Bill forward-----

Deputy Bernard J. Durkan: That is not true.

Deputy Richard Boyd Barrett: Was it unanimous?

Deputy Gino Kenny: Was it unanimous?

An Ceann Comhairle: Wait now.

Deputy Richard Boyd Barrett: Was it unanimous?

An Ceann Comhairle: Deputy, please.

Deputy Richard Boyd Barrett: It was sabotage.

Deputy Robert Troy: This is a joke.

An Ceann Comhairle: Please-----

Deputy Richard Boyd Barrett: The point is made, a Cheann Comhairle.

An Ceann Comhairle: You have made your point. Will you resume your seat now, please?

The Tánaiste: There must be respect for the committees of the House.

An Ceann Comhairle: The matter will be returned to by way of substantive motion when the Dáil returns in September.

Deputy Ruth Coppinger: It does not seem to concern the Government that a child was seizure-free for nine days.

An Ceann Comhairle: I call Deputy Breathnach.

Deputy Declan Breathnach: On the orders raised by Deputy Gino Kennedy-----

Deputy Gino Kenny: Kenny.

Deputy Declan Breathnach: Kenny. When he raised his substantive issue at the end of his discussion, he referred to this House as a "kip". I consider that to be absolutely unparliamentary and inappropriate language.

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Deputies: Hear, hear.

Deputy Declan Breathnach: There are plenty of young people viewing what is going on here.

Deputy Ruth Coppinger: I am sure they have heard worse.

Deputy Declan Breathnach: I believe the Deputy should unconditionally-----

Deputy Ruth Coppinger: Has the Deputy ever heard the word “kip” before?

Deputy Declan Breathnach: -----withdraw the word in question immediately.

Deputy Gino Kenny: It is not withdrawn.

Deputy Declan Breathnach: Then you do not support democracy.

Deputy Gino Kenny: It is not withdrawn.

Deputy Declan Breathnach: You do not support democracy, Deputy.

An Ceann Comhairle: I will read the Official Report. I did not hear that statement. To refer to the national Parliament as a “kip” would be to denigrate the entire democratic mandate we have. If any Member-----

Deputy Gino Kenny: What has gone on in the last few months has been absolutely outrageous.

An Ceann Comhairle: Will you let me finish?

Deputy Gino Kenny: It has been outrageous.

An Ceann Comhairle: I did not hear what the Deputy said.

Deputy Declan Breathnach: He did say it.

The Tánaiste: Deputy Kenny should have respect for the Chair.

Deputy Gino Kenny: I did call it a “kip”.

An Ceann Comhairle: You did call it a “kip”.

Deputy Declan Breathnach: The Deputy should withdraw it.

Deputy Gino Kenny: No. The Deputy has some nerve after his party bankrupted the country.

An Ceann Comhairle: It is beyond me why any Deputy would want to be a Member of a democratic institution that he considers to be a “tip” or a “kip”, as the case may be.

Deputy Bernard J. Durkan: Any such Deputy should resign.

Deputy Gino Kenny: Deputy Durkan has been in here too long.

Deputy Bernard J. Durkan: I have been here longer than the Deputy and everybody else.

Deputy Gino Kenny: Jurassic Park.

The Tánaiste: The Deputy's comments are disgusting and a disgrace.

Court Funds Administration Bill 2017: First Stage

Deputy John McGuinness: I move:

That leave be granted to introduce a Bill entitled an Act to allow for the operation of the Fund of Wards of Court by the Courts Service to be subject to audit and scrutiny by the Office of the Comptroller and Auditor General.

The legislation providing for the governance of funds managed by wards of court dates back to 1870 or thereabouts. Difficulties with these funds were highlighted as long ago as 1940. Other issues pertaining to the management and transparency of these funds were raised through the Committee of Public Accounts in 1963, 1964, 1966 and 1967. Approximately 18,500 people are affected by this issue. It was recorded that there was €1.5 billion in these funds in 2015. Almost €1 billion of that figure relates to 2,500 cases that are part of the wards of court system. Over the years, the people who are involved in this area have been fighting for greater transparency and accountability in this regard.

I have looked back at correspondence that dates back to 2004 and more recent years. It clearly states that a new unitised arrangement for the investment of funds was being considered, as was a new way of governance. In 2009, the same commitment was given in relation to the management of these funds and with regard to accountability to the individuals, families and others on whose behalf the funds were being managed. In one case in 2009, the fund for a particular individual came to €327,000. Within a short space of six years, that fund was reduced to €97,000. When individuals and families want to get transparency and accountability, they meet a complete blank wall. They are not responded to. They are not given the details. They are deeply frustrated because these funds have been diminished to the extent that they are now almost at zero. Families are continuing to have to care for individuals who are wards of court even though little or no funding is available.

Following a hearing some time ago, the Committee of Public Accounts made a number of recommendations to the Minister. None of them has been implemented. The rights of parents and those involved in these funds have certainly not been recognised. That is still the position to this day. In one particular year, the Comptroller and Auditor General suggested that he could audit the accounts. In other years, it was suggested that his office's remit does not extend that far. In the interests of transparency and accountability, the families want the recommendations that were made following hearings of the Committee of Public Accounts to be implemented by the Minister. This would provide greater accountability. There needs to be an explanation of where these funds are invested and why they may have been poorly invested or managed in certain years. It is outrageous to see funds being diminished in this way, particularly when they are going towards the upkeep of an individual family member who requires extra care and assistance.

When inquiries were made about these funds, the Courts Service did not reply in some

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cases. It cited the separation of powers and its independence. Even though civil servants are being paid to manage these funds, which are being invested on behalf of people who have received awards in court, family members who are closely associated with these funds are entitled to nothing. From the 1960s up to now, it was promised that in the interests of transparency and accountability, the Comptroller and Auditor General would be given the power to examine the accounts and to recommend whatever appropriate changes he sees fit. This Bill seeks to ensure that happens now. I ask the Minister, in the spirit of this Bill, to insist that each and every ward of court or committee should be entitled to a review of its accounts dating back to 2005. These accounts should be given to them so that they clearly understand how the fund was managed - or mismanaged - and someone should be held to account in view of the losses incurred in respect of each and every amount of money in the ward system. It is a simple Bill but it brings the transparency required. It would also bring necessary reform and answer the frustration and anger people feel over the losses they have to endure, including future losses, because of the care they have to provide to their loved ones without that money.

An Ceann Comhairle: Is the Bill being opposed?

Minister for Finance (Deputy Paschal Donohoe): No.

Question put and agreed to.

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

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

Question put and agreed to.

An Bille um an gCúigiú Leasú is Tríocha ar an mBunreacht (An Eaglais agus an Stát a Imdheighilt) 2017: An Chéad Chéim

Thirty-fifth Amendment of the Constitution (Separation of Church and State) Bill 2017: First Stage

Deputy Mick Barry: Tairgim:

Go gceadófar go dtabharfar isteach Bille dá ngairtear Acht chun an Bunreacht a leasú.

I move:

That leave be granted to introduce a Bill entitled an Act to amend the Constitution.

This Bill seeks to remove the religious references from the Constitution. Many people are not aware of the religious nature of the Constitution until they read the document. People are often surprised to read the first words, which are, "In the Name of the Most Holy Trinity" with the preamble going on to mention how the people, "Humbly acknowledging all our obligations

to our Divine Lord, Jesus Christ,” enacted the Constitution. Throughout the document there are religious oaths of office, references to the idea that all power derives from God and an obligation on the Oireachtas to legislate for the crime of blasphemy. The Constitution also states that homage and public worship “is due to Almighty God”.

Some may say this is just a historical relic from the 1930s and has no real effect but that is not the case. The framing of the Constitution in this religious way means there is actual discrimination on grounds of religion in this State today. The Constitution is written from the perspective of a Catholic people and a Catholic State, which then gifts religious liberties to others. Religious minorities are tolerated. What most people want, however, is the guarantee of religious liberties for all, regardless of the religion they may have.

Recently there was a debate around the prayer at the start of each day in this House. The legal advice received by Solidarity was that the prayer and the obligation to stand were constitutional, given the religious nature of the Constitution. The State should not oblige anyone to declare his or her religious belief when interacting with the State. Religion is a personal matter and it should not result in either favourable or less favourable treatment by the State. In our schools, religious discrimination against staff is perfectly legal. As recently as 2015, the Fine Gael-Labour Party Government reaffirmed this. Religion can determine entry to State schools and has influence over the curriculum. Even in our school transport system there is discrimination based on religion. All of this is perfectly legal.

This Bill would remove the obligation to treat blasphemy as a crime. In 2009, the Fianna Fáil-Green Party Government passed the Defamation Act which set a fine of up to €25,000 for the crime. Only a few months ago, Stephen Fry was investigated for blasphemy because of an interview he gave about his views on religion. Again, all this is perfectly legal. The Constitution outlines religious-based oaths for key offices of State. The President, all judges and members of the Council of State must take religious oaths and publicly declare their belief in God. What would happen if a person was elected President next year and was not a believer in God? Would the President-elect have to break his or her own conscience and take a religious oath or would he or she be permitted to become President if he or she refused to take an oath in which he or she did not believe? The political establishment today is unwilling to support separation of church and State. It has relied on the institution of religion as a key pillar of its rule for decades. Not only were religious organisations gifted schools and hospitals by the State, they also provided an ideology for the ruling class that justified its rule. In fact, to this day religious organisations are gifted the State’s schools and hospitals.

It is noteworthy that the population is changing, placing the political establishment even more out of touch. According to the most recent census, 468,400 people have no religion. This constitutes an increase of 76% in just five years. The percentage of Catholics has dropped from 84% in 2011 to 78% in 2016. We clearly have an increasingly diverse population with a range of religious belief. The passing of this Bill by the Dáil would require a referendum, which we suggest could take place on the same day as the referendum to repeal the eighth amendment.

Solidarity is very serious about a full separation of church and State and this Bill is part of a series of Bills we have or will put forward. We look forward to continuing our campaign work on the separation of church and State.

An Ceann Comhairle: Is the Bill being opposed?

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Minister of State at the Department of the Taoiseach (Deputy Joe McHugh): No.

Cuireadh agus aontaíodh an cheist.

Question put and agreed to.

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

Deputy Mick Barry: Tairgim: "Go dtófar an Bille in am Comhaltaí Príobháideacha."

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

Cuireadh agus aontaíodh an cheist.

Question put and agreed to.

Eleventh Report of the Committee of Selection: Motion

Minister of State at the Department of the Taoiseach (Deputy Joe McHugh): I move:

"That Dáil Éireann approves the Eleventh Report of the Standing Committee of Selection in accordance with Standing Order 27F, copies of which were laid before Dáil Éireann on 12th July, 2017, and discharges members and appoints members to Committees accordingly."

Question put and agreed to.

Establishment of the Joint Committee on the Future of Mental Health Care: Motion

Minister of State at the Department of the Taoiseach (Deputy Joe McHugh): I move:

"That, notwithstanding anything in Standing Orders—

(a) Dáil Éireann noting—

(i) the pressures on mental health services, the waiting times for services, and the need to improve services in certain parts of the country,

(ii) the consensus that the 2006 policy 'A Vision for Change' charts the best way forward for mental health services, and

(iii) the fact that, eleven years after its publication, 'A Vision for Change' is not yet fully implemented,

hereby appoints a Special Committee (hereinafter referred to as 'the Committee'), to be joined with a Special Committee to be appointed by Seanad Éireann, to form the Joint Com-

mittee on the Future of Mental Health Care;

(b) the Joint Committee shall aim to achieve cross-party agreement on the implementation of a single, long-term vision for mental health care and the direction of mental health policy in Ireland, while recognising that the Department of Health is simultaneously conducting a review of ‘A Vision for Change’;

(c) in the context of the implementation of ‘A Vision for Change’, the Committee shall examine—

(i) the current integration of delivery of mental health services in Ireland;

ii) the availability, accessibility and alignment of services and supports (including the work of the National Task Force on Youth Mental Health and the Youth Mental Health Pathfinder Project);

(iii) the need to further develop prevention and early intervention services;

(iv) the significant challenges in the recruitment and retention of skilled personnel; and

(v) the efficacy of establishing a permanent Mental Health Oireachtas Committee;

(d) the Joint Committee shall, having carried out the examination at paragraph (c), and taking account of the Department of Health review of ‘A Vision for Change’, make recommendations on how best to align Ireland’s mental health services and supports to increase availability and accessibility, recruit and retain personnel and complete the implementation of ‘A Vision for Change’ in order to provide a more integrated mental health service of the highest quality;

e) the number of members of the Committee shall not exceed 15, and the members shall be appointed as follows:

i) four members appointed by the Government,

ii) four members appointed by Fianna Fáil,

(iii) two members appointed by Sinn Féin, and

(iv) one member each appointed by the Labour Party, Solidarity-People Before Profit (Sol-PBP), Independents 4 Change, the Rural Independent Group and the Social Democrats-Green Party Group;

(f) the Ceann Comhairle shall announce the names of the members appointed under paragraph (e) for the information of the Dáil on the first sitting day following their appointment;

(g) the quorum of the Joint Committee shall be eight, at least one of whom shall be a member of the Dáil, and one a member of the Seanad;

(h) the Joint Committee shall elect one of its members to be Chairman;

(i) the Joint Committee shall have the powers defined in Standing Order 85(1), (2), (3), (4), (5), (7), (8) and (9);

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(j) the Joint Committee shall produce an interim report, which shall contain its proposed work schedule, within two months of its first meeting in public; and

(k) the Joint Committee shall make its final report to both Houses of the Oireachtas by 31st October, 2018, and shall thereupon stand dissolved.”

Question put and agreed to.

Standing Order 147: Motion

Minister of State at the Department of the Taoiseach (Deputy Joe McHugh): I move:

“That, in accordance with the recommendation of the sub-Committee on Dáil Reform under Standing Order 107(1)(a), the Standing Orders of Dáil Éireann relative to Public Business be amended in Standing Order 147 as follows:

(a) in paragraph (1), by the insertion of ‘, subject to paragraph (3A)’ after ‘Order Paper’;

(b) in paragraph (2), by the insertion of ‘,subject to paragraph (3A)’ after ‘leave to introduce a Bill’;

(c) in paragraph (3), by the insertion of ‘, subject to paragraph (3A)’ after ‘shall be made’; and

(d) by the insertion of the following paragraph after paragraph (3):

‘(3A) Where a Bill has already been printed, or the Dáil has given leave to introduce it, a private member may not present, or move for leave to introduce, a Bill, the content of which, in the opinion of the Ceann Comhairle, is identical or substantially similar to the first-mentioned Bill. Where the Ceann Comhairle is examining Bills for compliance with Standing Orders, and finds that two or more Bills are identical or substantially similar, the member sponsoring the Bill first received by the Ceann Comhairle shall be the member permitted to present or move for leave to introduce it.’”

Question put and agreed to.

Mortgage Arrears Resolution (Family Home) Bill 2017: Second Stage (Resumed) [Private Members]

The following motion was moved by Deputy Michael McGrath on 12 July 2017: “That the Bill be now read a Second Time.”

Debate resumed on amendment No. 1:

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

“Dáil Éireann:

(a) noting the significant concerns with the Mortgage Arrears Resolution (Family Home) Bill 2017 in respect of its compatibility with the Constitution of Ireland, but acknowledging the positive intentions behind the Bill;

(b) acknowledging the importance of addressing the difficulties faced by distressed borrowers in mortgage arrears and the high priority that Government attaches to this issue;

(c) noting the range of measures already put in place by Government, both up to 2016 and under A Programme for a Partnership Government, to support and assist financially distressed borrowers in mortgage arrears on their homes, with a view to keeping people in their homes and avoiding repossessions as far as possible;

(d) noting the welcome substantial and continuing decrease - as shown in the latest Central Bank of Ireland statistics - in the overall number of home mortgage accounts in arrears, the very significant number of home mortgage restructures now in place, and the very high proportion of home mortgages which are meeting the terms of their restructure;

(e) noting also the welcome significant and ongoing reductions, both in the issue of new civil bills seeking possession on foot of home mortgage arrears and in the numbers of repossession orders made by the courts, and the continuing and substantial increase in repossession proceedings struck out or discontinued;

(f) noting the existence of the personal insolvency arrangement, provided under the Personal Insolvency Acts, as the primary formal mechanism to facilitate the negotiated resolution between debtors and creditors of both unsecured and secured (including mortgage) debt;

(g) noting that the personal insolvency arrangement is designed, as far as possible, to permit the debtor to continue to reside in his or her principal private residence, while resolving their debts in a holistic manner and returning the debtor to solvency;

(h) noting that under changes introduced by the Personal Insolvency (Amendment) Act 2015, a borrower whose reasonable proposal for a personal insolvency arrangement - which includes his or her home mortgage arrears - is refused by the mortgage lender or other creditors can now seek an independent review of that refusal by the courts, which have power, subject to certain conditions, to impose the rejected proposal, thus ending the so-called bank veto;

(i) noting the introduction of free independent financial and legal advice and assistance, for insolvent borrowers in home mortgage arrears, as part of a range of supports available through the Money Advice & Budgeting Service, MABS, under the Government's Abhaile mortgage arrears resolution service, and the high level of take-up by distressed borrowers of the various supports provided under Abhaile;

(j) noting the public consultation already completed on personal insolvency legislation, and the ongoing review of the insolvency system, to be completed this year under A Programme for a Partnership Government commitments on mortgage arrears;

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(k) noting the further measures already in train under the Government's Action Plan on Housing and Homelessness, including recent and continuing changes to the mortgage-to-rent scheme to extend its availability, particularly for borrowers in rural areas; and

(l) noting the other relevant measures which have been put in place to protect principal private residences of those in mortgage arrears; and

declines to give the Bill a Second Reading.”

- (Minister for Justice and Equality)

An Ceann Comhairle: I must now deal with a postponed division relating to Second Stage of the Mortgage Arrears Resolution (Family Home) Bill 2017, which took place on Wednesday, 12 July 2017. On the question, “That the amendment to the motion be made”, 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; Níl, 84; Staon, 0.</i>		
<i>Tá</i>	<i>Níl</i>	<i>Staon</i>
<i>Bailey, Maria.</i>	<i>Aylward, Bobby.</i>	
<i>Barrett, Seán.</i>	<i>Barry, Mick.</i>	
<i>Breen, Pat.</i>	<i>Boyd Barrett, Richard.</i>	
<i>Brophy, Colm.</i>	<i>Brady, John.</i>	
<i>Bruton, Richard.</i>	<i>Brassil, John.</i>	
<i>Burke, Peter.</i>	<i>Breathnach, Declan.</i>	
<i>Byrne, Catherine.</i>	<i>Broughan, Thomas P.</i>	
<i>Canney, Seán.</i>	<i>Browne, James.</i>	
<i>Cannon, Ciarán.</i>	<i>Buckley, Pat.</i>	
<i>Carey, Joe.</i>	<i>Burton, Joan.</i>	
<i>Corcoran Kennedy, Marcella.</i>	<i>Butler, Mary.</i>	
<i>D’Arcy, Michael.</i>	<i>Byrne, Thomas.</i>	
<i>Daly, Jim.</i>	<i>Cahill, Jackie.</i>	
<i>Deering, Pat.</i>	<i>Calleary, Dara.</i>	
<i>Doherty, Regina.</i>	<i>Casey, Pat.</i>	
<i>Donohoe, Paschal.</i>	<i>Cassells, Shane.</i>	
<i>Doyle, Andrew.</i>	<i>Chambers, Jack.</i>	
<i>Durkan, Bernard J.</i>	<i>Chambers, Lisa.</i>	
<i>English, Damien.</i>	<i>Collins, Joan.</i>	
<i>Fitzgerald, Frances.</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>Harris, Simon.</i>	<i>Cowen, Barry.</i>	
<i>Heydon, Martin.</i>	<i>Crowe, Seán.</i>	

Dáil Éireann

<i>Humphreys, Heather.</i>	<i>Cullinane, David.</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>McEntee, Helen.</i>	<i>Dooley, Timmy.</i>	
<i>McHugh, Joe.</i>	<i>Ellis, Dessie.</i>	
<i>McLoughlin, Tony.</i>	<i>Fitzmaurice, Michael.</i>	
<i>Madigan, Josepha.</i>	<i>Fleming, Sean.</i>	
<i>Mitchell O'Connor, Mary.</i>	<i>Gallagher, Pat The Cope.</i>	
<i>Moran, Kevin Boxer.</i>	<i>Harty, Michael.</i>	
<i>Murphy, Dara.</i>	<i>Haughey, Seán.</i>	
<i>Murphy, Eoghan.</i>	<i>Healy, Seamus.</i>	
<i>Naughten, Denis.</i>	<i>Howlin, Brendan.</i>	
<i>Naughton, Hildegarde.</i>	<i>Kelly, Alan.</i>	
<i>Neville, Tom.</i>	<i>Kenny, Gino.</i>	
<i>Noonan, Michael.</i>	<i>Lahart, John.</i>	
<i>O'Connell, Kate.</i>	<i>Lawless, James.</i>	
<i>O'Donovan, Patrick.</i>	<i>MacSharry, Marc.</i>	
<i>O'Dowd, Fergus.</i>	<i>McConalogue, Charlie.</i>	
<i>Ring, Michael.</i>	<i>McGrath, Mattie.</i>	
<i>Rock, Noel.</i>	<i>McGrath, Michael.</i>	
<i>Ross, Shane.</i>	<i>McGuinness, John.</i>	
<i>Stanton, David.</i>	<i>Martin, Catherine.</i>	
<i>Zappone, Katherine.</i>	<i>Martin, Micheál.</i>	
	<i>Mitchell, Denise.</i>	
	<i>Moynihan, Aindrias.</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>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>O'Brien, Darragh.</i>	
	<i>O'Callaghan, Jim.</i>	
	<i>O'Keeffe, Kevin.</i>	
	<i>O'Loughlin, Fiona.</i>	
	<i>O'Reilly, Louise.</i>	

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	<i>O'Rourke, Frank.</i>	
	<i>O'Sullivan, Jan.</i>	
	<i>O'Sullivan, Maureen.</i>	
	<i>Penrose, Willie.</i>	
	<i>Quinlivan, Maurice.</i>	
	<i>Rabbitte, Anne.</i>	
	<i>Ryan, Brendan.</i>	
	<i>Ryan, Eamon.</i>	
	<i>Scanlon, Eamon.</i>	
	<i>Sherlock, Sean.</i>	
	<i>Shortall, Róisín.</i>	
	<i>Smith, Brendan.</i>	
	<i>Smith, Bríd.</i>	
	<i>Smyth, Niamh.</i>	
	<i>Stanley, Brian.</i>	
	<i>Tóibín, Peadar.</i>	
	<i>Troy, Robert.</i>	

Tellers: Tá, Deputies Joe McHugh and Tony McLoughlin; Níl, Deputies Michael McGrath and John Lahart.

Amendment declared lost.

Question, "That the Bill be now read a Second Time", put and declared carried.

Mortgage Arrears Resolution (Family Home) Bill 2017: Referral to Select Committee [Private Members]

Deputy Michael McGrath: I move:

That the Bill be referred to the Select Committee on Justice and Equality pursuant to Standing Orders 84A(3)(a) and 141.

Question put and agreed to.

Sitting suspended at 3 p.m. and resumed at 3.30 p.m.

Defence Forces Operations: Motion (Resumed)

The following motion was moved by the Minister of State at the Department of Defence on Wednesday, 12 July 2017:

That Dáil Éireann approves, pursuant to section 2 of the Defence (Amendment) (No. 2) Act 1960, as applied by section 2 of the Defence (Amendment) Act 2006, the deployment of a contingent of the Permanent Defence Force to serve as part of EUNAVFOR MED - Operation Sophia, and in accordance with United Nations Security Council Resolution 2312 (2016) and UN Security Council Resolution 2357 (2017), and subject to renewal of the UN mandate/authority thereafter.

Debate resumed on amendment No. 1:

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

“the proposal that Dáil Éireann approves, pursuant to section 2 of the Defence (Amendment) (No. 2) Act 1960, as applied by section 2 of the Defence (Amendment) Act 2006, the deployment of a contingent of the Permanent Defence Force to serve as part of EUNAVFOR MED - Operation Sophia, in accordance with United Nations Security Council Resolution 2312 (2016) and UN Security Council Resolution 2357 (2017), and subject to renewal of the UN mandate/authority thereafter, be referred to the Committee on Foreign Affairs and Trade, and Defence to allow for the opportunity to carefully consider its implications.”

-(Deputy Aengus Ó Snodaigh)

Deputy Aengus Ó Snodaigh: I urge all parties, including the Government, to support our amendment that this vote be deferred until such time as the Joint Committee on Foreign Affairs and Trade, and Defence has considered it. Despite the claims of the Minister earlier today, there is no urgency. Why would we sign up to an operation that is nearing the end of its mandate in December, given that it would take at least three months to prepare for it and the existing operation continues until November of this year? Operation Sophia existed in 2015 when the State took the decision not to sign up to it and signed up for Operation Pontus instead. The issues with Sophia have not been addressed in this House or elsewhere since then. Where is the discussion about it? Where is the discussion with the organisations operating in the region who have highlighted major concerns about the Libyan coastguard, the organisation the Irish Navy is now supposed to work with as part of its deployment in Operation Sophia? Organisations such as Amnesty International, the Irish Refugee Council and the Immigrant Council of Ireland, along with Médecins Sans Frontières have all raised major concerns about this proposal. The Minister, in fact, met Médecins Sans Frontières only last week.

The genius who dreamed up the titles for the operations was having a laugh. Pontus is a region of the Black Sea and has nothing to do with the Mediterranean. Somewhat bizarrely or perhaps ironically, in Greek mythology Sophia is the god of wisdom, in Christianity she is referred to as the wisdom of god and elsewhere as the friend of wisdom, or Philo Sophia - philosophy. There is, however, no wisdom in this mission. This is a military response to a humanitarian problem in a region that has been destabilised by recent wars, conflicts, famines and poverty. Many European nations must shoulder the blame for the problems that have ravaged Africa. Their imperial quests, looting, plundering and exploitation of the wealth of that

continent for centuries still impacts. Ireland was not an imperialist power, and we have more in common with the fleeing refugees than with many of the nations still involved in war-mongering and exploiting parts of the world, including Africa, that have been denied the chance to develop and evolve. There has always been an element in the military here who have wanted to play with the big boys, and they have their backers in Fianna Fáil and Fine Gael who have felt hampered by the stated policy of Irish military neutrality. In the past they wanted Ireland to become a NATO member and now, in conjunction with compliant Government parties, they see that opportunity. They are trying to force us to join the EU battle groups and, in this instance, Operation Sophia. Some are saying that what is behind the Government's decision to jump ship from Pontus to Sophia is that the Italians are now playing poker with people's lives as a means of forcing more EU supports and resources to help them deal with the immigration crisis. There is no justification for the Irish Government to contemplate jettisoning our neutrality, and with it the international goodwill, respect and high esteem that underpin our efforts when helping others.

Is comhair agus ceart dúinn tacú leis na teifigh agus iad a tharrtháil, agus seasamh i gcoinne siúd atá ag iarraidh muid a shú isteach in aontas míleata, i gcoinne neodracht ár Stáit. Tá na mílte á bhá san Mheán Mhuir gach bliain agus tá an tAire ag iarraidh dul ag ogaíocht i gcoinne smuigléirí daoine agus na treabhanna armtha gafa leo. Smaoinigh cé thug an armiún dóibh sa chéad dul síos. Déileáil leis na cúiseanna seachas na torthaí, agus bíodh meas ag an Rialtas ar ár neodracht.

Only last week the Committee on Foreign Affairs and Trade, and Defence heard harrowing testimony from Médecins Sans Frontières about what is happening in the Mediterranean. Their findings were supported by a House of Lords report published only two days ago which pointed to increased deaths at sea annually since 2015. There were 3,175 that year, 4,500 in 2016 and there already been 2,169 so far this year. In fact, Sophia has failed to disrupt the business of people smuggling, with only low-level smugglers being caught, and despite 425 boats being destroyed, they have just shifted their business to more unstable precarious inflatables. The boss of the EU's border agency, Frontex, Fabrice Leggari, also this week stated that more refugees are on the dinghies than ever before, increasing the chances of capsizing and drownings.

Operation Sophia involves emboldening the disgraced Libyan coastguard which has been found to be abusing refugees caught on boats, firing live rounds at overloaded vessels, co-operating with the smugglers and the militias by selling seized boats back in some cases, and putting captured refugees into the inhuman conditions in so-called migrant detention centres. This is what the Minister wants us to sign up to. These centres are exactly where the refugees will be sent. While some will try to present Operation Sophia as laudable, I urge Members to be fully familiar, in the little time we have, with what they are committing to before sending members of the Irish Defence Forces into possible conflict.

Operation Sophia mandates participating countries to take military action in Libyan waters and on Libyan soil. This is very worrying and is something that may significantly increase the risks to navy personnel. This is different from rescuing sinking rafts overloaded with desperate people in the choppy waters of the Mediterranean. Theoretically, attacking and sinking Libyan ships could be construed as an act of war by some of the militias in the area and their international backers. Operation Sophia will undermine our existing humanitarian mission of coming to the aid of drowning refugees. If we support this Operation Sophia, we are diverting Irish Naval Service ships from saving refugees clinging to floundering boats. In future, it would only be when an unfolding tragedy at sea was spotted that they would be required under the laws of

the sea to divert away from their anti-human trafficking and policing duties that we are going to sign up to under Operation Sofia. Just because the UN sanctions a mission does not mean it is appropriate for our Defence Forces to participate in it. Fianna Fáil and Fine Gael, the two parties primarily responsible for eroding Irish neutrality, support this motion, and if approved by this House, Operation Sophia will be yet another breach of Irish neutrality. Ireland's foreign policy should be based on active neutrality, meaning our Naval Service should be allowed to continue its humanitarian mission without having to participate in offensive military operations.

Operation Sophia has been in place since 2015 and has already proven to be a failure, so why add our name to that failure? The vitally important role the Irish navy has performed in Operation Pontus has been universally commended and has the support of NGOs in the area. They need to continue working together and deal with the humanitarian crisis we have in the Mediterranean. I urge the Minister to put lives first, ensure we have adequate vessels whose primary purpose is search and rescue in the area, and encourage and support NGOs to continue their vital role in their humanitarian work in the Mediterranean. A total of 73,000 refugees and migrants have reached Italy by sea this year, and more than 180,000 last year. Tragically, in excess of 10,000 have lost their lives in the perilous crossing in the past two and a half years. The more boats that are sunk, the more unscrupulous the murderous smugglers are in sending their victims to sea in rubber dinghies. I urge the Minister of State not to pass this motion without proper discussion of, and debate on, its effects.

Deputy Brendan Howlin: The Labour Party is entirely supportive of the efforts made by our naval vessels in the Mediterranean which have saved more than 15,000 lives. They have every reason to be proud of their work and we have every reason to be proud of the work done by our navy in rescuing migrants, in many cases from the prospect of a harrowing death in the Mediterranean Sea. We hope that the work of our troops will remain focussed on saving lives in this region.

The values of Operation Sophia are noble. To put an end to human trafficking and smuggling is an ambition to which we all aspire. To search for, divert, or dispose of the assets of people involved in such activities is a noble aspiration. That said, real concerns have been raised about Irish participation in this mission. Operation Pontus was established as a humanitarian mission with its primary focus on saving lives. Operation Sophia was established on entirely different premises, as a military operation with the mission "to identify, capture and dispose of vessels" used by smugglers or traffickers to "disrupt the business model of human smuggling and trafficking networks in the Southern Central Mediterranean". There must be some concern about the risk to Irish naval personnel involved in that endeavour. One such concern surrounds the expansion of this mission to contribute to the implementation of the UN arms embargo. We should also be concerned about a diversion of resources from the prime task of saving lives, which should be the sole motivation for the despatch of our very scarce resources - we have only eight vessels - to the Mediterranean Sea.

Serious concerns regarding this mission have been raised in the House of Lords in a report published yesterday and which the Minister of State, Deputy Kehoe, mentioned last night. Many of these concerns are shared by the Immigrant Council of Ireland, the Irish Refugee Council and by Médecins Sans Frontières. The importance of the assessment by the House of Lords is not just that it is not working but that it is contributing to more people dying by diverting resources from the primary task of simply picking up people who otherwise would drown. The House of Lords report suggests that an unintended consequence of Operation Sophia's policy of destroying smugglers' boats has been that the smugglers have instead adapted and

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sent refugees to sea in any unseaworthy vessel that comes to hand. The House of Lords has determined that this has exacerbated the mortality levels. The statistics bear out this view. In 2016, there were more than 4,500 unfortunate deaths compared with fewer than 3,200 the previous year, any one of which is an appalling tragedy. These figures alone surely deserve deep consideration by the Members of this House.

We have also heard concerns from Médecins Sans Frontières about the aspect of the mission that involves the training of the Libyan coastguard and navy. I hope the Minister of State can focus on these and assure all of us parties that our armed forces will play no role in supporting efforts to return refugees and migrants to Libyan detention centres. Deputy Ó Snodaigh referred to this. The accounts I have read of the so-called detention centres in Libya are harrowing. They are among the most awful places that any human beings are confined. The notion that our armed forces would in any way contribute to sending people back to Libya to enter those conditions would be deeply worrying for every Member of this House and certainly something that very few, if any, Members could contemplate supporting.

While in Libya, thousands of refugees and migrants have been subjected to extreme, even unimaginable, levels of violence. We should not play any role in returning fleeing migrants to detention in what by any evaluation is a failed state with a multiplicity of factions declaring themselves to be the legitimate government.

On this point we need the Minister of State's assurance that the Irish navy, if those of us on this side of the House fail to win the vote, will play no part in training Libyan troops in a way that could lead to the mistreatment and torture of refugees and migrants. I raised this matter on the Order of Business earlier in the week, because I fundamentally disagree with the way this matter is being dealt with in this Dáil. The motion we are being asked to agree to is a paragraph long. There is no detail on whether the Irish Government is aware of any of the concerns I have detailed, and that other Members have detailed and will detail, or whether it has taken them on board and considered them before deciding to present this Dáil with this motion. There were no background briefing papers or notes provided to Deputies. There was no reference to a committee of the House where these matters could be teased out and, if necessary, evidence called from our naval authorities, the United Nations, Médecins Sans Frontières and the other human rights organisations which have expressed concerns.

The motion was published on Tuesday and today we are supposed to just nod it through. I do not think that is an acceptable way to do business. I was very concerned last weekend when this matter surfaced in the media for the first time because it was indicated that a proposal would go to Government on Tuesday and be rubber-stamped here on Tuesday or Wednesday. This is a fundamental issue that we should take our time in considering. We should know all the arguments for and against before being asked to vote. That is why I strongly support the amendment tabled by the Sinn Féin Deputies to refer this to a committee. Bluntly, the argument in favour of the amendment was bolstered immeasurably by the intervention of the Chief Whip this morning because in responding to the question why the urgency, he made the case that it is urgent because the existing mandate is about to expire. Why in God's name would we want to get in during the last weeks of an operation that we have not been involved in for years, that would require incredible training and preparation in any event and is in the dying days or weeks of its mandate? That is very odd.

The Minister of State will recall that we agreed unanimously in Cabinet to deploy a naval vessel to the Mediterranean exclusively on a humanitarian mission. Operation Sophia existed

at that time but there was no suggestion that we join it, and there would not have been support for the suggestion. Why should we join now, at the end of the mandated Operation Sophia mission, when there was not only widespread but uniform national pride in, and support for, our Naval Service's operations to date in the Mediterranean, which have been exclusively focused on humanitarian need and rescuing people from imminent death? Why would we at this stage want to alter it and why would we do so without the proper scrutiny of an Oireachtas committee? If we were going to make any decision on the most mundane of issues as a matter of routine, we would refer it for detailed scrutiny to a committee of the House which can adduce all the evidence, call any witnesses and make a recommendation having debated the matter in the round. This motion is a few sentences, supported by Cabinet and then bounced in here. Deputies were originally given only 40 minutes to pass it without any background papers or supporting argument. This is not the way to do business of this importance. I urge Members to support the amendment tabled in the name of Sinn Féin Deputies to give us the time, the space and the information with which to make the right decision.

Deputy Mick Barry: Among the refugees fleeing Libya, there were 5,000 deaths in 2016. It looks as though the figure will be something similar this year. Those are the official statistics and do not include those refugees whose dinghies and boats sank without a trace in the Mediterranean Sea. These are the sorts of numbers of dead one would associate with a war zone.

We have had Operation Pontus, which has been referred to as humanitarian search and rescue. The proposal now is to buy into Operation Sophia. In essence this is a border control mission. It involves boarding vessels and searching them. It involves seizing goods from ships and seizing the boats themselves. It involves diverting ships of human smugglers and traffickers and so on. Operation Sophia also involves training the Libyan coastguard and its navy.

I will start with a quote from Dr. Conor Kenny, an Irish doctor who is part of Médecins sans Frontières who addressed the Oireachtas Joint Committee on Foreign Affairs and Trade, and Defence recently. Dr. Kenny told the committee:

On 23 May this year, my colleagues aboard the *MV Aquarius* reported that while we had a rescue operation under way a boat with men identifying themselves as Libyan Coast Guard approached one the boats in distress we were assisting, intimidating the passengers and firing their guns in the air. Armed and in uniform, members of the Libyan Coast Guard then proceeded to board one of the rubber boats. They took phones, money and other belongings from the passengers. They attached a line to one rubber dinghy and towed it back towards Libyan waters ... According to one of the people on board one of these boats:

When the Libyans pointed their weapons at us, asking us to give them all our money and cell phones and telling us to jump in the water, we did what they said and many of us jumped in. I was not afraid. I preferred to die at sea rather than being repressed and to die in Libya.

I also wish to read into the record of the House the comments of Mr. Sam Taylor, the director of Médecins sans Frontières in Ireland. At the same meeting he said:

MSF is concerned about the humanitarian consequences of some elements of European Union-funded capacity-building initiatives in Libya to which Ireland is contributing, namely, that of the Libyan Coast Guard and conditions within [detention] centres. ... MSF believes that European member states should be focusing on implementing a dedicated search

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and rescue operation in the central Mediterranean. We caution against any significant shift that would see the priority move away from a rescue operation to predominantly that of an anti-smuggling one, including Ireland's naval response.

Mr. Taylor went on to make points about the inhumane conditions in the Libyan detention centres.

Yesterday, Deputies received a joint statement from the Irish Refugee Council and the Immigrant Council of Ireland. I also wish to read points from that statement into the record of the House. It stated they were concerned that Ireland would no longer be fully implementing its humanitarian obligations under maritime law and search and rescue missions would become incidental to and not the primary focus of any future operation. They are also concerned that participation in EUNAVFOR, because of the mission's coercion powers and provision for the use of force, may be contrary to Ireland's stated policy of neutrality. In addition, they expressed concern about compliance with non-refoulement, that is, if refugees are fleeing from a country where Irish forces are participating in a broader mission that brings refugees back from whence they came, then Ireland would be in breach of obligations in that regard.

We have a broad measure of agreement on these matters from these benches, from Médecins sans Frontières, from the Irish Refugee Council and from the Immigrant Council of Ireland. Humanitarian search and rescue is one thing but border control missions to bolster fortress Europe are a different matter entirely. The people who will lose out from this are not so much the people smugglers as the people themselves, as shown by the example given by Dr. Conor Kenny.

Ireland is not a neutral country. Perhaps it is neutral in name but in reality we see the way in which Shannon Airport has been offered to the US war machine and so on. Non-involvement in military operations, particularly those of big imperial powers, is what ordinary Irish people mean by neutrality. That is a positive sentiment. We endorse that sentiment and there should be no involvement in Operation Sophia. I have spoken for exactly five minutes and now hand over to Deputy Boyd Barrett.

Deputy Richard Boyd Barrett: Fianna Fáil and Fine Gael have already brought shame on this State and shredded our tradition of military neutrality by facilitating 2 million US troops in going through Shannon Airport to conduct a disastrous war that led to more than 1 million deaths in Iraq, millions of people being displaced and the disastrous crisis we now see in Syria. Now the Government wants to compound the shame and shredding of our neutrality by trying to implicate the Naval Service in the filthy, xenophobic, racist policies of fortress Europe. These policies have led directly to 14,000 men, women, children and babies drowning in the Mediterranean Sea in the past two years. More than 30,000 have drowned over the last four years. This motion seeks to sully the heroic and brave record of the Naval Service, which has rescued some 16,000 people from the consequences of fortress Europe. The Government wants to sully that record by implicating the Naval Service in the xenophobic, racist and murderous policies of fortress Europe. That is what the Government would be doing.

This motion is an extension of the filthy deals that the European Union has done with Turkey - and is negotiating with Libya and with Afghanistan - to deport, force back and keep out desperate people who are fleeing from the consequences of the actions by this Government's friends in the US, Britain and France. When they were bombing Libya they said it was about protecting civilians but in fact it was about regime change and destroying Libya. It led on to

precisely the refugee disaster we currently have. Having done that and having not spoken out against it on behalf of this country, the Government now wants to take measures to collaborate with the militias in Libya to force people back into the disastrous mess that was created by western powers. This is what the Government is doing with the desperate Syrian refugees who would not be refugees were it not for the fact that Ireland and others facilitated a war in Iraq in the first place. That war led directly to the destruction of Syrian society and is producing the disastrous humanitarian consequences we now see.

The Government has tried to do this at the last minute. We did not hear about this motion at the Business Committee yet it is something that strikes, fundamentally, at Ireland's neutrality. The Government has tried to push it through without any real background. This measure would move the Naval Service from doing humanitarian work to doing what is, effectively, military work and protecting filthy fortress Europe.

In the last minute remaining to me, I must say how this sort of cynical policy also has consequences for other Irish military personnel. We have seen what happened in Camp Ziouani with Irish troops in the UNDOF mission over the last weeks. They came under fire from Syrian rebels. Although it was not directed at the Irish troops it seriously endangered them. On 23 September 2014 I challenged then Minister, Deputy Coveney, about pulling our troops out of that type of situation. I had said that putting our troops in behind the Israeli side of the separation zone in the Golan Heights would lead the troops into potential danger from some of the militant groups in the area. This is what then Minister for Defence, Deputy Simon Coveney said in response to me at the time:

Commentators are talking about ISIL and Islamic State and US bombing in Syria. It has been made clear to me that the rebel forces and militia in the Golan Heights are not ISIL or Islamic State, but what is called the al-Nusra Front, which is an offshoot of al-Qaeda. They have different objectives and we are unlikely to see any bombing happening in that place.

4 o'clock

I pointed out at the time how extraordinary it was that al-Qaeda had suddenly become our friends, according to the Minister, Deputy Coveney, but it was unlikely we would see any bombing. Then we see in recent weeks Irish troops being forced on five different occasions to go to ground, fearing for their lives, because they are caught up in this cynical hornet's nest of Israel, Saudi Arabia and Turkey backing al-Qaeda affiliates, which are putting our troops in danger. What is the Irish Government doing? There is the cynical implication of Israel in all this, which is publicly humiliating us, by the way, while at the same time co-operating with the al-Qaeda affiliates which are putting our troops in danger. The Government is destroying what is left of our neutrality, endangering Irish personnel in Syria and the Mediterranean and tarnishing our international reputation.

An Ceann Comhairle: I call Deputy Clare Daly.

Deputy Clare Daly: I am sharing time with Deputy Maureen O'Sullivan. In time, this discussion, if the Government and Fianna Fáil do not pull back from a vote on this today, will be as of pivotal importance as previous decisions in 2003 to allow the US military to use Shannon Airport as part of the Iraq conflict, and it will be a decisive turning point in our Defence Forces history. I do not say that lightly. This is the fourth time that the triple lock provision has been invoked and put before this House in the past decade. It is not something that happens every

day. It is a very serious matter for our citizens.

The triple lock was put in place to ensure our Defence Forces personnel would not take part in military alliances unless they were backed by the UN, the Cabinet and the House. This day last week, when we sat at the Business Committee, there was no mention of this being on the schedule at all. It did not even get a mention. We organised the business for the week without hearing a word of it. A day later a new schedule came out. This was on it as a motion on defence. There was to be a half hour for discussion but no further details were provided. It only emerged early this week what this measure was. The idea that we would be moving this on almost the last day of the session without adequate discussion is an affront to the citizens of the State and Defence Forces personnel, and it is undoubtedly a move in putting this country further in the direction of participation in a European army, which is not what people want.

There have been previous UN exercises. There was Operation Unified Protector in Libya, Operation Enduring Freedom in Afghanistan, and Operation Iraqi Freedom. There is not much freedom in those necks of the woods. In fact, the destabilisation of those countries is precisely why we have the number we have of refugees fleeing for their lives. Only one conclusion can be drawn as to why this is being rammed through by the Government and, in fairness, the Chief Whip spelt it out when he came back. He said that he went from the Business Committee and had a meeting with the Secretary General of the Department and the Chief of Staff of the Defence Forces, and they want it. What we have developing in this State is, in essence, a layer of career militarists who see themselves as being part of a European army and linking in with their European peers, if one likes.

It is interesting that Vice Admiral Mark Mellett was sent to Afghanistan on a NATO mission in 2004 when he was head of the Naval Service. Afghanistan is a landlocked country that does not have a river big enough for a canoe not to mind a warship, yet he was, if one likes, blooded in that investigation.

What we have here is the emergence of defence politics. Will the Minister of State answer me this? Given the active French navy has 86 ships, the Italians have 186, the Spanish have 77, the Portuguese have 37 and the Royal Navy has 78 ships, not to mention all the other countries, how come we are dealing with European naval fleets? We have eight naval vessels and coastal territory more than enough for us to defend. That is what we have here: Defence Forces. They were set up to protect our territory and our people, not to be part of offensive missions or quasi-imperialist excursions by European defence forces in Africa. However, that is what is in front of us. It is a new departure. Even at this 11th hour, I urge the Minister of State not to push this motion to a vote. It is too serious.

Other Deputies have pointed out the bitter irony in our making this decision today to join Operation Sophia in the very week it has been established as an abysmal failure. It has not met the objective of its mandate to disrupt the business model of people smuggling and has, in fact, led to a sharp increase in deaths. These points have been made by other Deputies. It will divert attention away from all of the good humanitarian work that we have been involved in. Further, Operation Sophia is more than that. Along with the €200 million EU-Libya deal signed in February, it has meant more refugees are trapped in Libya and refugees who do not drown are sent back to Libya, which is a failed state because of western interference in it in the first place.

The Minister of State knows what happens in that region. Refugee children are being sexually abused, coerced into prostitution and work, held for months and profiteered from. Accord-

ing to UNICEF, unofficial detention centres in Libya are controlled by the militia. People are profited from. There are thousands of migrant women and children. We have heard the appalling statements of teenage girls being forcibly injected with contraceptives in order that they can be routinely raped and not get pregnant. This is what we are breaching our neutrality to be part of. It is shocking and a shame and people would be horrified. There is the video evidence of the Libyan coast guard, which Operation Sophia is supporting and training, turning machine gun fire on packed rubber dinghies full of refugees. The EU itself, in a leaked report, has said that Libyan border management is “in a state of complete disarray and unable to combat smuggling”.

Behind all this, what we do not mention and what is rarely acknowledged at EU level is the reason refugees are travelling through Libya and risking their lives and the lives of their families, which is that the EU has refused them safe passage and the safe legal routes they used to take, not to mind the disruption caused in their countries in the first place. Refugees do not want to go to sea. They do not want to risk the lives of their families in the hands of smugglers. However, we have forced them into it. Not only that, we have had an enormous profiting from the securitisation of EU borders in recent years. Some €225 million was spent on ammunition for European border guards. This involves big companies and big military development, not to mention the fact that it was the West that helped to destroy Libya in the first place and forced that failed state to close the border with Turkey.

This is a huge turning point and the history books will not look kindly on the Minister of State. It is contrary to the principles of neutrality in the Hague Convention. We should be pushing the UN to be international peacekeepers, to rescue migrants and to protect our neutrality, not participating and deviating from these policies now.

An Ceann Comhairle: The broad parameters of the comments that Deputy Daly made are well deserving of being aired. However, she referred specifically in her contribution to Vice Admiral Mark Mellett. I think most of us would regard him as a highly admirable leader of our Defence Forces. I am certain that there is no intention on the Deputy’s part to attribute any malign intent to him in his role in this process.

Deputy Clare Daly: What I was simply trying to say, and obviously the Chief of Staff at lunchtime mentioned his involvement in this process, is that there would seem to be at the top of the military a wish to push us in the direction of these alliances. That was the point.

Minister of State at the Department of Defence(Deputy Paul Kehoe): If I may, I received my military advice from the Chief of Staff and the General Staff on this issue.

Deputy Clare Daly: The point is who is leading whom. The Oireachtas decides whether we are to be part of it. It came across very much as the other way around.

An Ceann Comhairle: As long as we are very clear that we are not attributing anything to Vice Admiral Mellett. I call Deputy O’Sullivan.

Deputy Maureen O’Sullivan: The question is why. On a very practical point, why is Ireland’s very small Navy needed in Operation Sophia when we consider the immense resources that are at the disposal of the navies of Italy, Spain, Britain, France, Germany and so on. The only conclusion to draw is that Europe is putting pressure on Ireland to be involved militarily. Therefore, the first point to be made is that this is a major threat to our neutrality.

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It is claimed that Operation Sophia was responsible for the saving of 33,000 lives in a certain period. At the same time, the Irish Naval Service saved 15,000 lives. One Irish boat saved half the total number saved by those involved in Operation Sophia, so we cannot afford to diverge from our humanitarian work. It is that work which has brought us a considerable reputation in Europe and throughout the world. The House of Lords inquiry found Operation Sophia to be ineffective and that it is costing more lives than it is saving. The inquiry called for its mandate to be disbanded because that mandate has failed to disrupt people smuggling, yet we are considering joining the operation.

People smuggling starts on land, and that is where it must be tackled. Instead of Operation Sophia, our priority should be focusing on the causes of migration and the poverty, hunger, conflict and human rights abuses that cause people to flee. There should be a focus on the detention centres in Libya where there is malnutrition, rape, violence and enforced prostitution, all of which was graphically described to the Joint Committee on Foreign Affairs and Trade, and Defence by representatives from Médecins sans Frontières. We must focus on facilitating stability in Libya, not encouraging the three competing governments with militias roaming a country in economic crisis. They are being entrusted to look after migrants. We must also focus on stopping the sale of weapons to regimes that are fuelling the instability in Africa which, in turn, is fuelling the migration. These are the pressing and urgent issues. We cannot sleepwalk into this discredited Operation Sophia. We are seeing a great deal of vested interest rather than human interest.

We should not vote on this motion now. I would prefer if we did not vote on it at all. At least it should be deferred until after the summer so we can get a better perspective on what is happening. There is no doubt that unscrupulous people who are smuggling migrants must be tackled, but Ireland promised to provide humanitarian assistance to save lives. That commitment should not be turned into a military operation, which is what is being proposed.

Deputy Mattie McGrath: I am delighted to speak on this motion and to have an opportunity once again to praise the heroic efforts of our Naval Service and the Defence Forces for the great humanitarian work they are doing in the Mediterranean. However, the Immigrant Council of Ireland and the Irish Refugee Council have raised serious concerns about this motion. They refer specifically to the conclusion yesterday of a House of Lords committee inquiry that Operation Sophia has failed in its mandate to disrupt the business people - if one could call them business people as they are outrageous - smuggling individuals in the central Mediterranean, resulting in more deaths of refugees and migrants at sea. The problem, according to the committee, is that by the time the ships set sail, it is too late. However, it said that the focus on search and rescue should remain as it has been a humanitarian success.

The Immigrant Council of Ireland and the Irish Refugee Council point out that Operation Pontus, which all of us supported, was established as a humanitarian mission with a primary focus on saving lives and that the Irish Naval Service has done tremendous humanitarian work in saving almost 16,000 lives on the Mediterranean since it began carrying out search and rescue missions in 2015. However, both bodies are extremely concerned that the proposed motion to bring Operation Pontus within the remit of EUNAVFOR MED will fundamentally change the purpose and mission of Ireland's engagement in the Mediterranean from a humanitarian one to one of surveillance, diversion and tackling smugglers. That is a broad statement and it could mean a great deal. It does not mean that the Irish people, who have been so proud of our UN peacekeepers over the years, want them on this mission.

This raises serious concerns about our neutrality. *The Guardian* newspaper in the UK reports today that the number of recorded casualties on the central Mediterranean route between Libya and Italy has risen by 42%, with more than 4,500 people drowning in 2016 compared with 3,175 in 2015. To date in 2017, there have been 2,150 casualties. These are staggering figures. It also reports that, as of 19 June, 110 smugglers had been arrested as a result of the mission. Most of them were lower down the food chain, just the ordinary lads in the boats. The warlords do not mind if they go into the sea as well. Only one of arrests involved a leader of a people smuggling ring, an Eritrean. These are the people who must be caught. There must be covert surveillance on them, perhaps not by our rescue mission personnel but by other nations. The naval ships in the operation have been successful in destroying 452 boats that had been used in smuggling operations.

I have serious concerns about this, about the way countries in the Middle East are being manipulated and about the Saudis, Israelis and many others. I also have serious concerns about the ongoing persecution of Christians and some minority Muslim groups in the Middle East. I found it almost impossible to have a debate on this in the House in the last two and a half or three years after I visited Lebanon with Deputies Grealish and O’Keeffe and Senator Rónán Mullen. Thanks to the Ceann Comhairle, it was raised as a Topical Issue on the evening of Holy Thursday. It was a very appropriate evening when one considers the history of the Middle East.

There are huge issues involved here. This is a neutral country and it must remain so. Our troops and the Naval Service, who do sterling work that is recognised worldwide, must be protected and kept on humanitarian duties. There is another debate about the implications of the use of Shannon Airport, but this motion could have massive implications for our troops, the Naval Service and the nation. We could become the victims of ISIS or other groups so we must be very careful not to be sucked in. We voted for the Lisbon treaty, and I was a member of the Fianna Fáil Party when the matter was put to a vote for a second time. This is the fruit of that. Now we are being coerced and bullied by the Europeans who were not very good to us when we lost our way financially. They penalised us, pilloried our people and made paupers of us. They gave us no hope. They let the rich bondholders, who had insurance, off the hook. Here, again, we have rich, very powerful people and nations manipulating the situation.

As Deputy Maureen O’Sullivan said, we are serving vested interests rather than the humanitarian interests of saving lives and trying to stop and prevent the slavery, intimidation and rape of these unfortunate people. It must be bad when they go onto these dinghies. They are sucked in by the warlords and, as I mentioned, thousands of them have perished. We must be very careful. We are playing a dangerous game here. I am disappointed that this is being rushed through, and I raised that fact at the Business Committee meeting this morning. It was agreed, reluctantly, to give each group ten minutes to speak, instead of five, on almost the last day of the session. That is not good enough. The Chief Whip tried to assure us earlier that this is only until Christmas and that it will take two months to put in place.

There are some people in the Army - I will not mention any names - who have become tired of being peacekeepers. They want more action. What business do they have in countries such as Afghanistan? Perhaps they are the tail wagging the dog here. They have become hungry for action. We cannot do that. Ours is a neutral country and it must remain neutral. Our Naval Service and peacekeepers are recognised for peacekeeping all over the world. We cannot allow them to be sucked into situations. We cannot become puppets for the big boys in Europe and elsewhere. This is a small, island country with a proud record. We cannot be aligned with these people. Our nearest neighbour across the pond, Great Britain, with which we have had

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many difficulties over the years, is leaving Europe. We cannot put all our eggs in one basket. The game is too dangerous. There is too much corruption and big money. There is too much of what is bad and anathema to me and the people I represent going on over there.

I visited the refugee camps in Syria. They contained only old ladies, grandmothers, some mothers and small children. Where are all the men? We cannot sleepwalk into allowing undesirables into this country, but it is happening under our noses. The Government might not wish to see it but the Garda Representative Association, GRA, and other associations have said that they are coming to this country unnoticed. That is my worry. I have no problem with taking in refugees - women, children and the old - on a humanitarian basis, but we must wake up and smell the coffee. There are people coming into this country and we will be the next to be attacked. If we take the action proposed here, we will give them an excuse to attack us. They will say that we got involved and did not fulfil the mission we had, which was to rescue people, but got war hungry and were influenced by the warmongers and the people who make the most money from these unfortunate conflicts, mainly the Saudi Arabians, given the amount of guns and everything else sold.

We see what is happening in Qatar. This all part of a big game involving money, power, oil and munitions, which is now about destroying Christianity in the Middle East and certain Muslim sects that hold different views. This is a serious problem which also affects Ireland. All of us have constituents who are worried. While they may not be experts, they see what is happening under their noses. We are not dealing with the many crises in the world.

I urge caution regarding this proposal, which I will vote against. It is shambolic that the House voted on the issue before this debate but that is the way the Government wants to proceed. We will regret this move. Army and Naval Service personnel will become targets when they cease acting as humanitarian rescuers and assume the power to stop, arrest and demobilise certain vessels. The time to do this is before refugees board the ships. Undercover operations should be used to isolate and get rid of warmongers who do not care about loading 200 people into a boat that cannot accommodate 40 or that these people are pregnant women, mothers and children.

We must stand up for our neutrality, which is close to our hearts. We have fallen into European treaties. I canvassed on some of them, including the second referendum on the Lisbon treaty, and more fool me. We are now reaping the rewards as we will be kicked out if are not good Europeans. Europe messed with us when we needed it. Europe is not our friend and we must say that. Ireland is a proud, sovereign country which must, above all, protect its citizens from those who want to come here and kill us. We have seen attacks all over Europe. For the first time, armed police are needed at GAA games, which we all love, and other sporting events. People are being body searched at these events, and about time.

We are peace-loving people who have no truck with warmongers. We should mind, salute and support our troops and Naval Service personnel. Young soldiers and sailors cannot afford to live on the wages the Minister is paying them. They and Defence Forces veterans are being treated disgracefully. We must look after our own business. This is our patch and we should look after it and let the warmongers go to hell or wherever else. They are creating enough hell for other people and do not care.

Deputy Eamon Ryan: I will share time with Deputy Seamus Healy.

The Green Party will not support the call for Ireland to join Operation Sophia. We do so reluctantly because we wish to support the Naval Service in everything it does. It has done a remarkable job in recent years. Under this proposal, the Naval Service would shift from a humanitarian rescue mission to a peace-enforcement-type mission. This would be contrary to our interests and tradition as a neutral nation and would change our approach in a way that undermines the wider peacekeeping efforts we must undertake. Ireland brings a particular role and benefit to humanitarian peacekeeping missions. Losing our reputation in this area and moving away from our peacekeeping tradition is not in the interests of Europe, Ireland or those whom we seek to protect.

During my time in government, I had the great honour of visiting the headquarters of the United Nations mission in Chad, which was a joint mission involving European and non-European armies. It was an incredibly complex, dangerous and difficult mission which the Defence Forces carried out with great professionalism and skill. Our military showed great intelligence as regards its position. The Defence Forces headed the mission and an Irish officer was appointed its chief of staff. Other countries realised that we were neutral and they had a sense that Ireland does not have a colonialist or imperialist past. This gave us great strength and is a great resource which we must and can deploy.

This is a particularly sensitive time in terms of Europe regaining its confidence and seeking greater co-ordination. However, I fear that certain countries and interests in Europe are pressing for greater European military integration, which is not the correct approach for Ireland or Europe. We can see signs of this trend everywhere. At the Committee on Budgetary Oversight last week, we learned from the vice president of the European Investment Bank, EIB, of a drive by the European Council - the Taoiseach last week reported to the Dáil on its recent meeting - to have the EIB take a role in lending to the armaments industry. This conflicts with the tradition of the institution and threatens its ability to raise green bonds and engage in low interest rate lending. This drive by certain European countries or authorities is only one example of a post-Brexit trend involving certain countries seeking to strengthen Europe through military operations and other means. This is not in our interests or part of our tradition and we should shy away from it.

None of us is blind to the tragedy unfolding in Libya. The country is experiencing a major humanitarian crisis as people migrate from other countries to use it as a leaping off point on their journey to Europe. These people are experiencing horrendous conditions and no one wants to stand idly by as they are caught in a pincer between the countries they are fleeing and the marine border with Europe. The issue is extremely difficult and Ireland has adopted the correct approach by engaging in a humanitarian rescue mission. If we join a peace enforcement mission, even if it only involves providing logistics support, we will be connected to a military operation. The front-line military aspects of a mission account for only a fraction of the massive logistics exercise required. Once we join such a mission, I fear we will become part of what caused the problem in the first instance. France, Britain and the United States showed incredible recklessness and disregard for recent and distant history when they bombed Libya into its current anarchy. Ireland should be especially cautious for this reason. Admittedly, the position in Libya is extremely difficult because the country is experiencing anarchy. No one knows, for example, if a coast guard vessel belongs to the Libyan Government or is involved in a pirate operation. No one denies that these extremely difficult circumstances require a sensitive intervention to support refugees who are in danger of drowning. At the same time, we must not impose further military solutions given that military actions partially caused the entire

problem in the first instance.

The Green Party does not agree with Ireland becoming involved in Operation Sophia. We concur with the conclusions of the various international reports cited by previous speakers, including the report from the House of Lords that makes the case for non-military intervention. This is the correct advice and Ireland can and should be part of such a humanitarian mission. We are sceptical and nervous because we are seeing an increasingly militarised response to the problem. We are proud of the Defence Forces and their tradition of peacekeeping. We should stick to our strengths. Europe and the rest of the world benefit when we stand as a neutral voice with a proud tradition of peacekeeping. I am nervous that we are stepping away from that. This is part of a wider trend about which we must be careful.

Deputy Seamus Healy: The Naval Service is participating in Operation Pontus as part of a bilateral agreement with the Italian Government. Operation Pontus is a purely humanitarian mission rescuing migrants at risk of drowning in the Mediterranean. To date, the Naval Service has saved approximately 16,800 migrants. The Government's proposal to participate in Operation Sophia, which is supported by only eight of the 27 European Union member states, is an attempt to abuse the legitimate concerns of the public about the continuing migrant crisis in the Mediterranean and drag this country into a military role. I agree with the Peace and Neutrality Alliance that involvement in Operation Sophia would be a further breach of neutrality. The country's neutrality has already been breached by allowing the US military's use of Shannon Airport.

We are repeatedly told that the integration of the Naval Service's operation in the Mediterranean into Operation Sophia will be an extension of the former's excellent humanitarian mission and reputation. Nothing could be further from the truth. While the priority of the current Operation Pontus is rescue, the priority of Operation Sophia is to force refugees back into the claws of the Tripoli Government. Under Operation Sophia, refugee boats are being confined to Libyan coastal waters by military force where they can be recaptured and returned to Tripoli.

The flight of desperate refugees across the Mediterranean from Libya and the rest of north Africa is reminiscent of the Famine. During its ten years from 1845 to 1855, 2.1 million desperate Irish people fled across the high seas in the hope of finding a better life abroad. Imagine if those 2.1 million people had been stopped and forced to return to Ireland. That is what Operation Sophia is now doing in the Mediterranean.

Libya has been in chaos since military aggression, including bombing by Britain and France, overthrew the Gaddafi regime. There are now three unelected Libyan governments involved in a civil war. This British and French-created chaos has given free rein to traffickers and smugglers preying on people attempting to escape. Integration into Operation Sophia involves allying Ireland with the navies of Britain and France and one of the three warring governments in Libya.

Refugees International speaks of the ongoing violence and chaos in Libya, a country that lacks an asylum system and where the rule of law is absent. Libyan refugees are being confined to hell-on-Earth detention centres. Non-Libyan refugees, of which there are many, are being placed in transit camps prior to repatriation to the countries from which they fled. There is no right of asylum in Tripoli.

If the transfer to Operation Sophia goes ahead, it will be used in future as a precedent to

justify the further erosion of Irish neutrality. The excellent reputation of our soldiers and sailors abroad will be sullied by association with human rights abusers. Above all, the Irish people will be made complicit in the vicious oppression of deprived peoples. Tá mé go láidir i gcoinne an rúin seo.

An Leas-Cheann Comhairle: That concludes the debate. Sin deireadh dhíospóireacht an tairisceana seo. Tá leasú amháin os ár gcomhair ag an Teachta Ó Snodaigh. An bhfuil sé ag brú an leasaithe sin?

Deputy Aengus Ó Snodaigh: Tá.

Amendment put:

<i>The Dáil divided: Tá, 39; Níl, 78; Staon, 0.</i>		
<i>Tá</i>	<i>Níl</i>	<i>Stاون</i>
<i>Boyd Barrett, Richard.</i>	<i>Aylward, Bobby.</i>	
<i>Brady, John.</i>	<i>Bailey, Maria.</i>	
<i>Broughan, Thomas P.</i>	<i>Barrett, Seán.</i>	
<i>Buckley, Pat.</i>	<i>Brassil, John.</i>	
<i>Burton, Joan.</i>	<i>Breathnach, Declan.</i>	
<i>Collins, Joan.</i>	<i>Breen, Pat.</i>	
<i>Collins, Michael.</i>	<i>Brophy, Colm.</i>	
<i>Connolly, Catherine.</i>	<i>Browne, James.</i>	
<i>Crowe, Seán.</i>	<i>Bruton, Richard.</i>	
<i>Daly, Clare.</i>	<i>Burke, Peter.</i>	
<i>Doherty, Pearse.</i>	<i>Butler, Mary.</i>	
<i>Ellis, Dessie.</i>	<i>Byrne, Catherine.</i>	
<i>Funchion, Kathleen.</i>	<i>Byrne, Thomas.</i>	
<i>Healy, Seamus.</i>	<i>Cahill, Jackie.</i>	
<i>Howlin, Brendan.</i>	<i>Calleary, Dara.</i>	
<i>Kenny, Gino.</i>	<i>Canney, Seán.</i>	
<i>McGrath, Mattie.</i>	<i>Carey, Joe.</i>	
<i>Martin, Catherine.</i>	<i>Casey, Pat.</i>	
<i>Mitchell, Denise.</i>	<i>Chambers, Jack.</i>	
<i>Munster, Imelda.</i>	<i>Chambers, Lisa.</i>	
<i>Murphy, Catherine.</i>	<i>Corcoran Kennedy, Marcella.</i>	
<i>Murphy, Paul.</i>	<i>Cowen, Barry.</i>	
<i>Nolan, Carol.</i>	<i>D'Arcy, Michael.</i>	
<i>Ó Broin, Eoin.</i>	<i>Daly, Jim.</i>	
<i>Ó Caoláin, Caoimhghín.</i>	<i>Deasy, John.</i>	
<i>Ó Laoghaire, Donnchadh.</i>	<i>Deering, Pat.</i>	
<i>Ó Snodaigh, Aengus.</i>	<i>Doherty, Regina.</i>	
<i>O'Reilly, Louise.</i>	<i>Donnelly, Stephen S.</i>	
<i>O'Sullivan, Jan.</i>	<i>Doyle, Andrew.</i>	

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<i>O'Sullivan, Maureen.</i>	<i>Durkan, Bernard J.</i>	
<i>Penrose, Willie.</i>	<i>English, Damien.</i>	
<i>Quinlivan, Maurice.</i>	<i>Farrell, Alan.</i>	
<i>Ryan, Brendan.</i>	<i>Fitzgerald, Frances.</i>	
<i>Ryan, Eamon.</i>	<i>Fitzpatrick, Peter.</i>	
<i>Sherlock, Sean.</i>	<i>Flanagan, Charles.</i>	
<i>Shortall, Róisín.</i>	<i>Halligan, John.</i>	
<i>Smith, Bríd.</i>	<i>Harris, Simon.</i>	
<i>Stanley, Brian.</i>	<i>Harty, Michael.</i>	
<i>Tóibín, Peadar.</i>	<i>Haughey, Seán.</i>	
	<i>Heydon, Martin.</i>	
	<i>Kehoe, Paul.</i>	
	<i>Lahart, John.</i>	
	<i>McConalogue, Charlie.</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>Madigan, Josepha.</i>	
	<i>Mitchell O'Connor, Mary.</i>	
	<i>Moynihan, Aindrias.</i>	
	<i>Murphy O'Mahony, Margaret.</i>	
	<i>Murphy, Dara.</i>	
	<i>Murphy, Eoghan.</i>	
	<i>Murphy, Eugene.</i>	
	<i>Naughten, Denis.</i>	
	<i>Naughton, Hildegarde.</i>	
	<i>Neville, Tom.</i>	
	<i>Ó Cuív, Éamon.</i>	
	<i>O'Brien, Darragh.</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>Rabbitte, Anne.</i>	
	<i>Ring, Michael.</i>	
	<i>Rock, Noel.</i>	

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	<i>Ross, Shane.</i>	
	<i>Scanlon, Eamon.</i>	
	<i>Smith, Brendan.</i>	
	<i>Smyth, Niamh.</i>	
	<i>Stanton, David.</i>	
	<i>Troy, Robert.</i>	
	<i>Zappone, Katherine.</i>	

Tellers: Tá, Deputies Aengus Ó Snodaigh and Louise O'Reilly; Níl, Deputies Joe McHugh and Tony McLoughlin.

Amendment declared lost.

Question put: "That the motion be agreed to."

<i>The Dáil divided: Tá, 80; Níl, 38; Staon, 0.</i>		
<i>Tá</i>	<i>Níl</i>	<i>Staon</i>
<i>Aylward, Bobby.</i>	<i>Boyd Barrett, Richard.</i>	
<i>Bailey, Maria.</i>	<i>Brady, John.</i>	
<i>Barrett, Seán.</i>	<i>Broughan, Thomas P.</i>	
<i>Brassil, John.</i>	<i>Buckley, Pat.</i>	
<i>Breathnach, Declan.</i>	<i>Collins, Joan.</i>	
<i>Breen, Pat.</i>	<i>Collins, Michael.</i>	
<i>Brophy, Colm.</i>	<i>Connolly, Catherine.</i>	
<i>Browne, James.</i>	<i>Crowe, Seán.</i>	
<i>Bruton, Richard.</i>	<i>Daly, Clare.</i>	
<i>Burke, Peter.</i>	<i>Doherty, Pearse.</i>	
<i>Butler, Mary.</i>	<i>Ellis, Dessie.</i>	
<i>Byrne, Catherine.</i>	<i>Funchion, Kathleen.</i>	
<i>Byrne, Thomas.</i>	<i>Healy, Seamus.</i>	
<i>Cahill, Jackie.</i>	<i>Howlin, Brendan.</i>	
<i>Calleary, Dara.</i>	<i>Kenny, Gino.</i>	
<i>Canney, Seán.</i>	<i>McGrath, Mattie.</i>	
<i>Carey, Joe.</i>	<i>Martin, Catherine.</i>	
<i>Casey, Pat.</i>	<i>Mitchell, Denise.</i>	
<i>Cassells, Shane.</i>	<i>Munster, Imelda.</i>	
<i>Chambers, Jack.</i>	<i>Murphy, Catherine.</i>	
<i>Chambers, Lisa.</i>	<i>Murphy, Paul.</i>	
<i>Corcoran Kennedy, Marcella.</i>	<i>Nolan, Carol.</i>	

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<i>Cowen, Barry.</i>	<i>Ó Broin, Eoin.</i>	
<i>D'Arcy, Michael.</i>	<i>Ó Caoláin, Caoimhghín.</i>	
<i>Daly, Jim.</i>	<i>Ó Laoghaire, Donnchadh.</i>	
<i>Deasy, John.</i>	<i>Ó Snodaigh, Aengus.</i>	
<i>Deering, Pat.</i>	<i>O'Reilly, Louise.</i>	
<i>Doherty, Regina.</i>	<i>O'Sullivan, Jan.</i>	
<i>Donnelly, Stephen S.</i>	<i>O'Sullivan, Maureen.</i>	
<i>Dooley, Timmy.</i>	<i>Penrose, Willie.</i>	
<i>Doyle, Andrew.</i>	<i>Quinlivan, Maurice.</i>	
<i>Durkan, Bernard J.</i>	<i>Ryan, Brendan.</i>	
<i>English, Damien.</i>	<i>Ryan, Eamon.</i>	
<i>Farrell, Alan.</i>	<i>Sherlock, Sean.</i>	
<i>Fitzgerald, Frances.</i>	<i>Shortall, Róisín.</i>	
<i>Fitzpatrick, Peter.</i>	<i>Smith, Bríd.</i>	
<i>Flanagan, Charles.</i>	<i>Stanley, Brian.</i>	
<i>Halligan, John.</i>	<i>Tóibín, Peadar.</i>	
<i>Harris, Simon.</i>		
<i>Harty, Michael.</i>		
<i>Haughey, Seán.</i>		
<i>Heydon, Martin.</i>		
<i>Kehoe, Paul.</i>		
<i>Lahart, John.</i>		
<i>McConalogue, Charlie.</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>Madigan, Josepha.</i>		
<i>Mitchell O'Connor, Mary.</i>		
<i>Moynihan, Aindrias.</i>		
<i>Murphy O'Mahony, Margaret.</i>		
<i>Murphy, Dara.</i>		
<i>Murphy, Eoghan.</i>		
<i>Murphy, Eugene.</i>		
<i>Naughten, Denis.</i>		
<i>Naughton, Hildegarde.</i>		
<i>Neville, Tom.</i>		
<i>Ó Cuív, Éamon.</i>		
<i>O'Brien, Darragh.</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>Rabbitte, Anne.</i>		
<i>Ring, Michael.</i>		
<i>Rock, Noel.</i>		
<i>Ross, Shane.</i>		
<i>Scanlon, Eamon.</i>		
<i>Smith, Brendan.</i>		
<i>Smyth, Niamh.</i>		
<i>Stanton, David.</i>		
<i>Troy, Robert.</i>		
<i>Zappone, Katherine.</i>		

Tellers: Tá, Deputies Joe McHugh and Tony McLoughlin; Níl, Deputies Aengus Ó Snodaigh and Louise O'Reilly.

Question declared carried.

Message from Seanad

An Leas-Cheann Comhairle: Seanad Éireann has passed the Ministers and Secretaries (Amendment) Bill 2017, without amendment.

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 - the closure of Coghlanstown Road in County Kildare; (2) Deputy Robert Troy - to provide an update on the schools building programme; (3) Deputy Jack Chambers - call for an independent inquiry into the death of Malak Thawley; (4) Deputy Aindrias Moynihan - the new secondary school for De La Salle College, Macroom, County Cork; (5) Deputy Carol Nolan - to discuss the cuts to home-help hours in County Of-

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faly; (6) Deputy Marcella Corcoran Kennedy - delays in public orthodontic treatment dental services for children and adolescents in the midlands; (7) Deputy Sean Fleming - the future of Portlaoise mail centre; (8) Deputy Fergus O'Dowd - the impact of the withdrawal of a carer's allowance for a person (detail supplied); (9) Deputy Maureen O'Sullivan - concern for Irish greyhounds being exported to other jurisdictions; (10) Deputy Imelda Munster - the matter of funding for housing adaptation grants for County Louth; (11) Deputy Dara Calleary - the delays with paediatric occupational therapy services in County Mayo; (12) Deputy John Brady - to discuss the recent defamation case won by two Wicklow county councillors against the local authority; (13) Deputy Ruth Coppinger - the lack of classrooms at Pelletstown Educate Together national school that will result in pupils having to travel by bus to a neighbouring school each day from September; (14) Deputy Clare Daly - to discuss proposed changes to strengthen the Garda Síochána Ombudsman Commission, GSOC, and the Policing Authority; (15) Deputy Richard Boyd Barrett - the sale of the lands at Clonkeen College, Deansgrange, County Dublin; (16) Deputy Brendan Smith - the need to prioritise the infrastructural requirements of the Border region such as the road network in Cavan and Monaghan in the mid-term capital review due to the particular difficulties that will arise for this region from the adverse impacts of Brexit; and (17) Deputy Mary Butler - the need for the Minister for Health to immediately initiate a new and independent review of the provision of cardiac care in the south east.

The matters raised by Deputies Imelda Munster, Jack Chambers, Mary Butler and Sean Fleming have been selected for discussion.

Planning and Development (Amendment) (No. 2) Bill 2017: Order for Second Stage

Bill entitled an Act to amend section 28 of the Planning and Development (Housing) and Residential Tenancies Act 2016 and to provide for connected matters.

Minister for Housing, Planning, Community and Local Government (Deputy Eoghan Murphy): I move: "That Second Stage be taken now."

Question put and agreed to.

Planning and Development (Amendment) (No. 2) Bill 2017: Second Stage

Minister for Housing, Planning, Community and Local Government (Deputy Eoghan Murphy): I move: "That the Bill be now read a Second Time."

Obtaining planning permission is one of the key steps in enabling housing providers to produce the homes we all need. The process of obtaining planning permission takes time, reflecting the importance of getting the location and design of new development right. Once permission is granted, it normally lasts for five years to enable the relevant development to be built out. However, due to the economic recession of recent years and the resulting downturn in construction activity and slow pace of sales, many approved housing developments could not be built out within the timeframes attaching to their original permissions. This is the case

even where some of these benefited from an initial five-year extension of duration, which is already facilitated under the Planning Acts. Recognising these extraordinary economic and market conditions, and to avoid time-consuming and pointless repeat applications for planning permission at a time of unprecedented housing need, pillar 3 of Rebuilding Ireland committed the Government to amending planning legislation to temporarily allow for a second extension of duration of planning permissions over the period of the action plan to 2021.

Section 28 of the Planning and Development (Housing) and Residential Tenancies Act 2016 was originally drafted to amend section 42 of the principal Act and address the extension of duration provisions.

5 o'clock

Specifically, section 28 of the 2016 Act provides: under section 28(1), a permanent change to section 42 of the 2000 Act, providing that extensions of duration would no longer apply where environmental impact assessment, EIA, or appropriate assessment, AA, was required in respect of the original planning permission. That is to bring the planning code fully into line with EU law requirements.

Under section 28(2), a temporary change is being made to section 42 of the 2000 Act, providing that a second extension of duration of planning permission could be approved for a development of 20 or more homes in certain circumstances and where development had substantially commenced within the original permission period. It was always intended to commence these provisions separately, as the first was drafted in response to EU requirements, and as is the norm with such new legislative requirements, there needs to be a transitional period for practical arrangements to be made to meet them. Developers need time to consider and comply with the new EU law requirements, and, as the case may be, apply for an extension of duration or a new planning permission. That is the reason I am not commencing this provision immediately but expect to do so by the end of this year.

The second provision is more urgent. If a second extension of duration is required to deliver housing that is in short supply, I am anxious that this be acted upon as soon as possible. However, due to the legal construction of section 28 with these two separate provisions, as I have outlined, legal advice received indicates that it is not possible to specifically commence the second provision without also commencing the first. Accordingly, this Bill seeks to allow us to commence this second provision separately, and without delay.

Another reason to quickly enact this Bill before the House is to address a further issue that came to light during consideration of amendments to the 2016 Act during the debates on the Planning and Development (Amendment) Bill 2016 - currently on Report Stage here in the Dáil. Some housing providers are not able to avail of a second extension of duration in cases where the development had substantially commenced but had done so within the period of the extended planning permission, that is, after year five, as opposed to during the original five-year planning permission period.

During discussions on the Bill, the Government tabled amendments and signalled that it would consider other changes to the 2016 Bill, taking account of the constructive and helpful views from Opposition Members. We are eager to facilitate as broad a cohort of house builders as possible to be able to avail of this temporary flexibility to deliver as much new and permitted housing stock into the market as early as possible. However, recognising that the 2016 Bill will

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not be enacted until the autumn, I have moved to bring these changes into effect as soon as possible. That is to minimise any delays and provide certainty to developers, their financiers and planning authorities, as well as to citizens who need homes. The provisions before the House today are therefore not new, but are in fact simplified and allow for greater flexibility for already eligible permissions seeking a further extension.

I will briefly run through the provisions in this Bill. Section 1 proposes to delete section 28(2)(a) of the 2016 Act and substitute new text to address the issues outlined above and enable separate commencements to the different parts of section 28. Section 1 also extends the opportunity for second durations of permission to those developments whose permissions have expired, or are due to expire, regardless of whether the developments commenced during their initial period of permission, or during the first extension period.

Section 2 contains standard provisions of a general nature, dealing with such matters as Short Title, collective citation and construction. As the Bill contains no commencement provision, the enacted provisions will come into force upon the date of signature of the President.

While I appreciate that consideration of such a provision would normally make its way through the legislative process in the traditional manner, we do not have the luxury of waiting for the Planning and Development (Amendment) Bill 2016 in the autumn. We are aware that there is a substantial number of commenced housing projects, between 50 and 100, throughout the country that could be built without further delay, if the amending legislation and relevant commencement arrangements are expedited. If not, that building activity may be obliged to cease. As soon as it became clear from scheduling arrangements that the Oireachtas would not be able to conclude its deliberations on the 2016 Bill before the recess, I acted to seek to progress this key provision by means of this fast-track, stand-alone Bill.

I did not want to rush the wide range of issues in the 2016 Bill, including the important proposals around the establishment of the office of the planning regulator, which require the careful scrutiny of this House. This Bill ensures that the affected housing providers who had substantially commenced development in an extended planning permission period would be able to apply for a second extension of duration, without the need to cease work while they apply for a new permission. It also means that those whose projects had substantially commenced within the original planning permission period would be able to avail of a second extension. It is important to note that this provision will apply only to projects that have substantially commenced and will not apply to projects that have not commenced. That is to discourage the hoarding of planning permissions without going ahead and actually delivering the homes. As facilitated under the original provisions in the 2016 Act, any qualifying permitted development that has expired between the publication of Rebuilding Ireland on 19 July 2016 and the commencement date of this provision will still be eligible to apply for a second extension. I commend this Bill to the House. I thank Members on all sides for considering this important matter at such short notice.

Deputy Barry Cowen: I support the passage of this short Bill to rectify an unfortunate error. It was a grave mistake which might have been unintentional but, to say the least, was careless. During the passage of the Planning and Development (Housing) and Residential Tenancies Act last year, we were adamant that there would be provision in it, among other things, for second extensions to be provided where substantial works were completed, in order for progress to be made and not have a scenario whereby one could go back to seek retention of planning permission and possibly have to open up the entire planning process again to further objections, and to

hold the scheme up for two to three years and place an encumbrance on development and units being made available. It is unfortunate to have such an issue arise at this late stage but if it has to be rectified it has to be rectified. We will not stand in the way in order that the legislation can pass quickly and deal with the 75 or so cases involving more than 20 units in order that the work can be done. That is important especially considering the space we are in and the emergency in housing provision. If the Bill can help and assist in the process then we must allow for it and ensure it does exactly what we want it to do.

I could be very political and talk about the different things that have not happened which we would like to have seen happen in terms of the procurement process, such as the provision of rapid-build homes that can have a real impact on the crisis. Local authorities tell us there are impediments to procurement happening at the pace we would like. I hope the Minister will speak with relevant local authorities and departmental officials to facilitate the provision of new procurement procedures following the identification of road blocks and ensure housing developments happen a lot more quickly.

I had hoped the Government would have provided a new affordable housing scheme. We do not have one at present. The last one we had was the Part V scheme, which provided for 10% affordable housing and 10% social housing. In the last days of the previous Government it did away with the affordable housing scheme and we have not had a replacement. Some local authorities and co-operative housing organisations have introduced schemes to meet the demand in that sector but not on the scale we would like to see. I urge the Minister to introduce a national scheme that would have the desired effect in that regard.

The criteria under which local authorities can lease properties over a long period require amendment to cater for the possibilities that exist in that sector. We have the national asset residential property services, NARPS, model that NAMA is pursuing. That works well and could be extended. A new financial vehicle could be put in place to allow finance to be provided for units to be built and leased back by local authorities over a longer period. As local authorities told us in a committee meeting today that there are impediments to them doing that, let us resolve the issue and implement the changes.

In light of recent tragedies across the water and closer to home in Kildare and other places, local authorities have said resources and manpower are an issue in terms of them being in a position to inspect properties that are let and subvented by the State by means of the housing assistance payment, HAP, and other schemes. The situation must be rectified forthwith. I know the Minister has undertaken an audit of the inspection process in respect of health and safety and fire regulations and the way the system is adhered to, implemented and policed. I implore the Minister to accept what local authorities are saying. In some cases up to half the properties have not yet been inspected and there is an eight-month policy thereafter when the requirement comes into force and properties must be inspected. According to the local authorities, that in itself is not being adhered to, through no fault of theirs, but if the issue relates to manpower or resources it should be at the top of the Government's agenda in light to the threat to life that could otherwise exist.

Other issues have arisen in the course of recent weeks and I have had an opportunity to assimilate, digest and consider them. An issue will arise at a later Stage in our discussion of the Bill regarding the amount of units specified in the Bill being restricted to a minimum of 20. We should allow for multiples of less than that. I am conscious that people might have the best intentions in that regard but it is not possible to please everyone in this scenario. We are all faced

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with people coming into our constituency offices seeking to know if we are empowering the sector, public and private, to provide houses and to meet the demand that exists in order that the supply can reach the demand and progress can be made. Of course, that is our duty and what we continue to do and implore the Government to do.

We also meet with the sector itself including providers, developers and investors who want a return on their investment but could not avail of it in the heat and depth of the crash. Those who survived the crash could seek a first extension of the permission they might have had for units numbering less than 20. Now people say they should be given a second extension. There comes a point when we have to define what is hoarding and what is not. Should we penalise people who, in that instance, would have had ten years to develop less than 20 units? We might compare those cases with somebody who has 180 units and has a lot more difficulty but it would not be comparing like with like. Somebody with less than 20 units could have 15 years to provide units to the market and it would be said that I and people like me are aiding and abetting that. I say we have to draw the line somewhere. We cannot please everybody and get nowhere. I think this is sufficient in the way that it is done. We are dealing with second extensions of time here, not with first extensions.

Another case came to my attention in the last few weeks. A local authority refused an initial extension of time when four fifths of the development had been completed. We are talking about hundreds of units here. Apparently, the reason the first extension was not granted had to do with challenges that had been made to the owner in respect of his title. He won his case, proved his title was sound and was entitled to complete the development. However, as the local authority failed to give an extension of time, he was forced to seek retention for the remainder of the work, which was 180 units. The total cost was about €26 million. In seeking retention of permission, presto, he had objections. I would hazard a guess that many of them are professional, to be quite honest. That being the case, the whole future of the development is in jeopardy from a financial, logistical and time perspective. Units are not made available to the market although there was ample process and planning in respect of all impacts, environmental and otherwise, and all that was required. The project met the criteria as laid down and achieved permission.

The local authority in its wisdom felt that it was possible for this legislation to be amended in order to cater for its failure to deal with first extensions under existing law.. This is purely to do with second extensions. There is adequate provision within existing legislation to deal with initial extensions of permission. Without mentioning the authority, the developer or location, I spoke briefly to the Minister about this case prior to speaking here. I will speak to him again and provide him with the details. I ask that he personally intervene and ask the relevant authority and the building company to meet. It may be possible to withdraw the existing permission and reapply for an extension under the legislation governing the first extensions. I have no doubt that should be adjudicated by virtue of the fact that the title issue has been resolved, apart from everything else. Then there might be progress. It is disappointing for me as a legislator to hear that an authority would think we can rectify legislation that is not even before us in respect of the issue it has. The local authority is not using the legislation that is available to it to deal with first extensions. I wanted to make that point. The Minister will acquiesce to me, I am sure, in order to accommodate such a meeting to see if the likes of that issue can be resolved.

Rather than getting into a protracted debate about the whole housing crisis and emergency, the Minister has said he is intent on addressing a few measures in respect of the review that is ongoing. I would say the review should not take too long. The manner in which the Rebuilding

Ireland document was put together was credible in its own right. There was consultation with stakeholders, all-party committees and special committees. However, we always said it was going to be about implementation. With the best will in the world, the implementation has not materialised in the way we would have wished. Many of the suggestions we have made which were not acted upon now need to be brought to the fore. The review gives us all an opportunity to rectify that. I would hope the Minister will take that on board. I urge him to act quickly and show the sort of urgency that is necessary to address this issue. He should not be afraid of recent failures but should work with the rest of us to ensure we can all take credit for resolving this issue eventually. We must seek to give some immediate hope to those who see none despite the best efforts of many in recent times.

Deputy Pat Casey: I want to go back to when we were initially discussing this amending legislation in respect of the second period of extension. It did not matter what document we took up, regardless of whether it was the heads of the Bill, Library research or the pre-legislative scrutiny. When we were discussing the second period of extension, all that was mentioned was that it had to have been 20 houses and substantial completion of the site had to have been carried out. Deputy O'Rourke approached me in respect of a constituent of his who had been in contact with the Department. On 13 April the reply from the Department clearly set out as follows: The new provision will only apply to those housing developments which were granted their first extension for having substantially commenced development before the original planning permission ran out and will not apply to those developments that were granted an extension under section 42(1)(a)(ii) and will only commence work in the extended period of duration. Deputy Ó Broin was on the committee with me. I sat through all of this. It was never the intention for this Bill to stop the completion of developments that had substantially started. It was thanks to Deputy O'Rourke and my further engagement with the Department that we identified this flaw. I support and commend today's amending legislation, which addresses that issue. The sole purpose of the Bill was to deliver housing. There is no point stopping housing when it is almost completed by not allowing for the appropriate period of time permitted to a development which commenced in the first period of the extension. Those are my few words.

Deputy Frank O'Rourke: I welcome the opportunity to speak on this amending legislation. As my colleagues have said, it is crucially important that this is passed without further delay if we are serious about dealing with the housing crisis that exists at the moment. It makes absolutely no sense that someone coming out of his or her first extension of planning who had substantially completed the development would be prevented from finishing the development and would have to go back. In essence, the proposal coming from the Department was that they would have to reapply to the local authority for an extension of duration. If there was then a third party objection, that could mean a further 12 or 18-month delay. I know the Minister would not condone that.

When we brought the issue to the attention of his officials they saw the sense in the point we were making and the error of their ways. They looked positively at trying to address it. Developments would have been shut down. If they continued to work on the basis of good faith, unauthorised development fines would then be levied on them and then, obviously, everything would cease. As we all acknowledge, labour is currently extremely difficult to find in the construction industry to get work done. If sites were closed down for a long period, that labour, expertise, talent and support would be lost. Not to amend the Act would have been a grave mistake in my view and my colleagues' view. That is why we set about trying to get this amended as quickly as possible. In my constituency of Kildare North, quite a number of sites will be

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falling into this situation this month and next. It would be a terrible shame if developments of 100 or 150 houses had to be closed down. We need to ensure developers can power on with the delivery of such houses, many of which will come back to the local authorities through the 10% rule to assist with the current difficulties.

This welcome amending legislation will deal with an oversight in last year's Act. I am delighted to have played a part in bringing this to the attention of the Department in conjunction with my colleagues, Deputies Cowen and Casey. It is good that this positive measure is being speedily addressed here today. As we have all said in this House on numerous occasions, the only way to deal with this crisis is to increase supply. The problem at the moment is that the level of supply is insufficient. When supply comes back into the marketplace, that will deal with all of the housing issues with which we are familiar, including the current homelessness crisis, and will help with rents and in many other ways. Local authorities are not building - this is a major absence, in my view - because they are not being resourced to do so. They benefit from private developments because they get a percentage of those houses back. There is a win in this for everyone. If we are serious about delivering houses and dealing with the housing crisis, we should bring forward appropriate positive measures to facilitate the proper delivery of houses and allow strategic development to take place. That is what this is aimed at.

We spend a lot of time in this House talking about delivering and building houses. It is as if we had never built a house before in this country. We need to look at the different options. We need to give local authorities the resources they need to deliver houses on their own landbanks. Numerous Deputies have said that local authorities can build houses. Anyone who thinks they can do this at present is living in fantasy land. Local authorities will acknowledge that they are not resourced to build houses and do not have the expertise to do so. If we are serious about getting local authorities to develop and deliver housing on their own lands, we should resource and empower them to get designs done and put such projects out to tender. This would enable contractors, working under the supervision of the local authority, to develop housing to the point where it can be returned to the authority in turnkey condition. We are talking about local authority contracts on local authority land. The role of the local authority is to oversee such projects, implement them and ensure they go to tender. Local authorities do not have blocklayers, plasterers or plumbers. Such services have to be contracted or subcontracted. This way of delivering houses should be considered if we are serious about dealing with the housing emergency that exists.

If the Department cannot give local authorities the resources they need to do this work, it should consider the option of small public private partnership schemes, which worked successfully in the primary care section of our health service and in road construction. That is another way of doing this work. We should also consider the role of the private sector in helping to deliver houses. It cannot be the sole provider of houses, but it can play a major role in delivering houses because it is resourced to do so. When planning permission is granted in accordance with proper planning guidelines, a percentage of the income can come back to the local authorities. There are ways of delivering houses and meeting the demand that exists. Housing must be supplied in a coherent, strategic, proper and practical way that involves taking action rather than continuing to talk in this House as if we do not know what to do. We are not reinventing the wheel. We need to get on with the job.

We have all worked on local area and county development plans. If we are serious about developing and delivering houses, we must do so in a strategic manner. Various local area plans are under review in my constituency. I will not go into them in detail because I do not want

to compromise the process. There are question marks over the zoning of prime, shovel-ready land that has been identified by the local authority for the delivery of houses. We need to look at that strategically and practically. Planning applications that relate to strategically-located and well-serviced land should be looked on positively if it is a case of a natural build-out from previous existing developments. We should allow such land to be zoned, if it is in keeping with good planning guidelines, in order to allow construction to happen. We should not be allowing construction in areas where the infrastructure is not present and where houses cannot be built for another eight or ten years. We need to act in a collective, practical and sensible manner. If we are really genuine about dealing with this crisis, we need to take a joined-up and practical approach. We should not take an approach that keeps us talking about the issue without delivering on it.

I welcome this Bill. I am delighted it is being treated with the urgency it deserves. We need to ensure the contractors who fall into the category to which I refer keep building because that is what will ultimately help the people who are attending our clinics every week.

Deputy Eoin Ó Broin: Here we are again. As we did in December 2016, we are rushing legislation that will have a significant impact on the planning system through the Dáil on the second last day of term. I had huge sympathy for the officials who were dealing with Planning and Development (Housing) and Residential Tenancies Bill 2016 late last year because they were expected to draft complex legislation under enormous political pressure in an unreasonable period. With the best will in the world, and with the very best efforts of the officials, mistakes were made. The Bill in question received some scrutiny on Committee Stage. Amendments with huge holes in them were submitted on the second last day of that term. Thankfully, Members from a range of Opposition parties identified those holes and we were eventually able to get them resolved. The general point that needs to be made is that this is a really bad way for us to introduce legislation, even if we support it in principle and want to see it introduced to address loopholes in the existing codes. Planning legislation is particularly prone to difficulties of this nature. We cannot afford to focus solely on the principle behind this Bill and the text in front of us. We need to bear in mind that what we are doing will interact with a complex web of planning legislation. All members of the housing committee take seriously our responsibility to legislate and to scrutinise legislative proposals. We spend lengthy periods examining these Bills in committee. It is deeply unreasonable to expect us to be able to get our heads around these complexities in such a short space of time.

We got this Bill last Thursday. I pay tribute to Deputy Casey and his colleagues because they noticed this gap in the previous legislation and put it on the agenda. They have to be commended on that. It shows again that if the legislative process is done properly, Members will have the time to notice the difficulties that exist and to respond to them. Since we got the Bill last week, most Members and officials have been exceptionally busy because of the extra items on the Dáil schedule. We have had even less time to scrutinise the content of this Bill in our offices that we would ordinarily have. All Stages of the Bill are being taken today so that the legislation can be passed next week. This is the second time this has happened. If we do not find a way to ensure it does not happen like this, we will create more problems for ourselves that will have to be addressed further down the line. I have no difficulty with the motivation behind this Bill. We need to fill the gap that has been identified. The critical comments I am making about the processing of the Bill should not reflect on what the Bill is trying to do. I am taking the Ministers' explanation of why the Bill has been brought forward in this manner at face value.

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I have some concerns, however. When I received this legislation last week, I wrote to the Minister to ask whether he or his Department was aware of individual developments where house construction might potentially have to cease because of this legislative difficulty. On Monday of this week, after *The Sunday Business Post* had reported that approximately 75 developments could potentially be affected, I wrote to the Minister again to repeat my simple request. It would have been valuable to share this information with members of the committee. I understand that at least two social housing developments, one of which is being progressed by Tuath Housing, could be affected. If the Minister is asking us to take him at his word while working through the legislation in this way, I think it would have been fair for him to share the information held by the officials in his office. It would have given us a sense of the kinds of developments we are talking about. We should have been given details of the location and size of each development. How much time is needed in each case? Perhaps the Minister will be able to share some of that information with us when he replies. For future reference, when we are dealing with legislation of this nature, we are open to working with the Minister to address the issues in a sensible and constructive way. The Minister's officials know this. I think he will come to learn this as he spends more time in his current role. We will not play politics with sensible legislative amendments or sensible improvements to the planning system. The Minister needs to assist us by providing the kind of information to which I have alluded.

Before I talk about the Bill, I want to say that there is currently a problem with the process for the first extension of planning permissions. When extensions are sought in many local authority areas, there is a sense among elected representatives and third parties that it is a kind of rubber-stamping exercise. Where substantial changes have happened in a development or in the environmental circumstances, it is very difficult for people to influence and engage in the first extension period, whether the developer is responsible for the delay or not or has a bad track record of completing existing parts of a development. One of my concerns with the drafting of the Bill, if not its intention, is that those things are built into the second extension in a way that could be open to abuse or to unintended consequences.

The intention is to ensure that if a developer is on site and only has a couple of months left but needs a year or two years, the development is not stopped but, as the Bill is currently drafted, someone could significantly commence a development and, for example, put in the foundations but pause it to sit on it, as it were, for a while. With house price inflation of 10%, it may be better to leave it for a period. There is a real possibility that a rogue or greedy developer, as opposed to the genuine developers whom this Bill is trying to help, could avail of this extension and meet the criteria to benefit from one year, or two or three years, of additional house price inflation. I have a real concern about that and some of my amendments are designed to strengthen the ability of the local authority to force the developer in question to demonstrate very clearly that he or she is unable to complete the development within a reasonable period.

In the way the legislation is drafted, the total extension is five years, but when being granted the first extension under existing legislation, one gets the full extension. I would have preferred the legislation to have been designed with a shorter extension of a year or two years while, if the developer made the case for more time and in an exceptional case, he or she could get it. Instead of this, the five-year extension is the default rule even though the local authority, under certain circumstances, grants a lesser period. I would like the Minister to respond to that concern.

I am also not clear if the second extension can be secured more than once. It cannot be extended past the five years to 31 December 2021, but I wonder if someone can get a year or two-

year extension and then get another year or two years up to that date. It would be helpful if the Minister could clarify that. If an extension is granted and a development got original permission ten or 11 years ago, which sets of planning regulations and county development plan rules apply? Is it the ones when the first planning permission was granted, those in force in the first period of extension or the rules which apply today? In many circumstances they can be very different. I am not necessarily arguing for one or the other at this point but clarity is required.

The Minister said that those whose projects had substantially commenced within the original planning permission period will be able to avail of a second extension. Does that mean someone who had substantially commenced could apply for an extension, do nothing in the first extension period and still avail of the second extension? None of us wants to delay important legislation and no one in this House, irrespective of our view of the Bill as it stands, wants to see any development, private or social, stop because of weaknesses in existing legislation, but I urge the Minister and his officials to listen carefully to what Members are saying, regardless of whether he accepts their amendments. I assume this goes to the Seanad next week, and if there are ways to strengthen the Bill on Committee Stage to ensure it can only be used for the intended purposes as identified by Deputy Casey and his colleagues, they should be found. Someone could abuse legislation which was weak because of the time it took to produce it, so I urge the Minister to make it as robust as possible.

I do not want to enter into other areas of housing policy but this is the second time we have dealt with fast-tracking legislation which is primarily for the benefit of private housing developments. We have a desperate need for the Department to come back with a similar set of proposals to fast-track social housing developments. The 18 to 24 months approval and procurement process is slowing down the pace of social housing delivery to a level that is unacceptable. We are being told of the urgency of fixing this problem but there is a huge problem in the State's delivery of social housing in that it is taking far too long and the measures introduced by the former Minister are not having the desired impact on the ground or speeding up the four-stage process. I urge the Minister to come back to us after the recess with some policy proposals, regulations or legislation to move from an 18 to 24 month approval process to a six to nine month one-stage process, which is eminently deliverable without compromising on standards or the quality of accommodation.

Deputy Jan O'Sullivan: We will also support this Bill on the basis that it is a necessary step. I commend Deputy Casey and colleagues on noticing it and it is a good thing they did so before the summer recess or there might have been real problems. I assume it will pass through both Houses of the Oireachtas before the summer break. I am concerned that we have to do this, and Deputy Ó Broin has reminded us all of the frenetic period before the Christmas recess, working intensively late into the night on complicated amendments to housing and planning legislation. This is a lot simpler and easier to understand but it is important we get it right. The interaction between planning and housing is important. I will not be party political but bad planning resulted in houses being built where they were not needed and others not being built where they were needed. It is important we have good planning and houses built in appropriate locations and not, for example, in places subject to flooding.

I hope the fact this piece of the original Bill is going through quickly today means there will be no delay on the substantial legislation. The implementation of the recommendations of the Mahon tribunal has been very slow, as has getting the necessary legislation into this House. In particular, we need to implement the establishment of the planning regulator.

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I understand the need to provide for an extra five years' extension where there has been substantial commencement of construction. How does the local authority identify what is substantial? The local authority will be responsible for granting the extension and I share the concerns of others about the possibility of this being a hoarding mechanism to allow a developer to extend the lifespan of the construction of a development until house prices go up again. We all know the statistics on house prices and we have seen people queue up to buy houses only for them to go up again the following day and the day after that, or during different phases of a development. I can see that as some rogue developers would sit on properties to spread out for as long as possible the construction period in order that they would get the maximum profit from the houses they are constructing, we need safeguards in this regard. If the local authority is to make the decision as to how substantial the work already done is, I think it will need guidance from the Department. There should be some way in which this can be judged in an objective way. In this time of shortage of houses, we do not want to see these developments being held up in any inappropriate way. I understand why there are developments that need this extra time and I am not trying to stop that in any way but I do not want to see this provision being abused either.

In this context, the other measure coming down the tracks is the vacant sites levy. Local authorities are now already developing their vacant sites registers to have ready for next year for the levy to come in retrospectively at the end of 2018 and in 2019. While I acknowledge that we are not talking about vacant sites here, I also want to ensure there is no opportunity for developers to develop one part of a site and leave another part of it vacant yet then have the site described as not vacant. I do not know whether I am making this clear but I am highly suspicious of how some developers might want to try to get around the vacant sites levy coming down the tracks and to sit on land for as long as possible to make the biggest possible profit. We therefore need to look around the corners of this to make sure there are no opportunities for profiteering on these sites.

I wish to develop some of the other points made already. The issue of the building of social housing and the need to speed up its delivery have been raised by a few of the previous speakers and I absolutely support what has been said in this regard. While one measure available is the possibility of having just one application process with the Department for developments with a value of between €2 million and €15 million, according to the most recent reply to a question I got, only two applications have been dealt with under this measure. The four-stage process is taking far too long, as has just been said by Deputy Ó Broin, and I do not understand why it takes so long. There is so much back and forth between the local authorities and the Department still. I do not think anyone wants to see these delays but they are happening. As we have been told the money is there, we really need to see a speedier process for local authorities.

The other issue, which we have all raised at Question Time and so on, is the 700 or so sites around the country that are owned either by local authorities or other public bodies. There are issues surrounding these sites. The local authorities need to be able to be in charge and speed up the processes. I support what Deputy Cowen said about the need for an affordable scheme - an affordable purchase scheme but also an affordable rental scheme. I know the previous Minister was not inclined to introduce a national scheme on these matters and suggested that local authorities would work out their own arrangements around the sites. However, I ask Deputy Eoghan Murphy, as a fresh, new Minister, to reconsider having a national affordable leasing scheme because it will greatly speed up, in my opinion, the development of these sites which are meant to have mixed tenure. There will not be mixed tenure if there are, on the one hand,

social houses and, on the other, houses that are too expensive for the average family to buy. That is not mixed tenure; that is fairly well-off people and not well-off people but no one in the middle. We need these kinds of schemes in the public sphere and, again, I ask the Minister to consider this.

Apart from that, there are some sensible amendments from others that would ensure that the time is not unduly spread out and that reasons are given for the seeking of these extensions, and I am supportive of them. In the meantime, while no one wishes to delay unduly this legislation, at the same time we need time to properly scrutinise it.

Deputy Richard Boyd Barrett: Given that it is the second last day of term before the summer recess, People Before Profit and Solidarity will not stand in the way of legislation that might do anything to facilitate the continued provision of desperately needed housing to increase the famous supply we all know to be necessary to deal with the catastrophic - I do not think that is an exaggeration - housing and homelessness crisis in which we find ourselves. I do not think anyone of good conscience could do anything that might hamper the delivery of housing that would have any impact for families who desperately need a roofs over their heads, particularly if, as I understand it, two of those developments are social housing developments, as Deputy Ó Broin has said.

Having said that, there are concerns that this legislation might facilitate land hoarding and we need the Minister's absolute assurance that it will not. He should seriously take on board the amendments that have been tabled that are designed to ensure this does not happen because land hoarding is a central part of the crisis we now face and of the crisis that preceded it in 2008. We therefore need his assurances in this regard and need him to answer the questions that are put and provide justifications for refusing these amendments if that is his intention. I understand he is considering one of the amendments. Frankly, as I do not see any problem with any of them, we need an explanation as to why he will not accept amendments that are designed to safeguard against land hoarding. As an aside, I do not know how these developers who engage in land hoarding can sleep at night, given the situation we now face. It is obscene that people are deliberately manipulating and exploiting what is an enormous social crisis just so they can increase the value of their investments, property and developments while people sleep in cars and couch surf, families are split up and people rot on housing lists for a decade or more. That people perceive this dire situation as an opportunity to increase the value of their investments is shocking, but that is the immoral world of the market and of capitalism: conscience is thrown aside in the filthy pursuit of profit at all costs. Some assurance that allowing for these extensions of planning permission will not facilitate that is absolutely critical. That being said, we could not and will not do anything to block any delivery of housing that is urgently needed.

However, given we are debating Second Stage of the Bill, I must say that this week we have been subject to what I think it is fair to describe as an absolute avalanche of legislation, with stuff being thrown at us left, right and centre. Some of it may be useful, as in the case of the Bill before us; one's head would be dizzy trying to figure out the content of other stuff coming before the House. We have just had a motion passed, without any serious public debate, on another issue that could have very serious implications on another area of concern to the public. I do not like this method of doing things, with an avalanche at the last minute to do some things that might be worthy and some things that might be very dubious and which people in this country might live to regret. I want to flag that fact.

If we are going to engage in a type of emergency legislation at the last minute, I would like

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to see legislation which deals with the most urgent issues rather than some of the legislation that went through this week. This Bill is attempting to do that at some level. There is no more urgent issue than the issue of housing and homelessness. I cannot see why we should not include an amendment to Part V. The decision of the Government to reduce social and affordable housing from 20% to 10% as a condition of any development could have gone into this Bill as well. I said last week that this is critical. We can look at what the Minister has just cited in terms of what is happening over the summer. Of the 75 developments he says could be blocked if this legislation does not get through, only two of them are social housing. That tells its own story. To my mind that means that 73 of those developments, or at least a very high proportion of the 73 other developments that are not specifically social housing, will be unaffordable to the people who need housing.

Surely one of the lessons of the previous crisis is that even if supply is massively increased, as happened in the years leading up to 2008 when there were 70,000 to 90,000 residential units per year being built, it does not in any way guarantee that the housing and homelessness crisis will be stemmed or the housing lists reduced or that ordinary people in this country who need a secure, affordable and permanent roof over their head will benefit. I wonder if there is any acknowledgement of that fact. Is there any recognition on the part of the Minister that the major expansion in the construction and delivery of housing that he hopes will happen does not in any sense guarantee that we will solve the housing crisis? We have the very recent experience of a massive increase and expansion in the supply of housing and that did not solve the crisis. It led to a massive economic crash, ghost estates and people taking on debts they simply could not afford, but it did nothing to deal with the housing crisis. The Deputies in this House who have been around for a few years know that the housing list continued to lengthen during the period 2005 to 2008. It did not get shorter when we had a record delivery and output of housing. The list got longer. It accelerated and got worse after 2008, to the disastrous level we are at now. It is simply not the case that if supply is increased, demand is met. These graphs, the equivalent of which can be found in leaving certificate textbooks, do not work in reality. That is not an ideological assertion but a simple statement of fact about what happened in the years between 2004 and 2008. The massive increase in supply did not meet demand.

There is no reason to believe it is going to meet demand this time. In fact, there is every reason to believe it will not when one looks at what is happening with house prices and with rents. Stuff will be delivered and it will be unaffordable. If it proceeds as it did before, particularly now when the real value of wages for huge numbers of people has fallen, I foresee another credit bubble. How else can it happen? I just cannot see another outcome. The real value of wages is now less than it was in 2006, 2007 and 2008. How are people going to afford this stuff? Either they will not be able to afford it or they will have to borrow money they cannot afford, risking a repeat of what happened previously. I would like to hear some response to that. I believe there is no response to it. The only way the expanded output the Minister is hoping for will deal with the catastrophic situation we are now facing is if price is controlled. That can only be done if the State provides the housing.

I hear some people say that we need an affordable scheme. We do, absolutely, but we must remember that the previous affordable scheme was a disaster. It did not work and did not deliver affordable housing. I would like to know how someone is going to do it now if it is not the local authorities deciding what is affordable. If it is in any way linked to the market and some sort of notional discount from the market, it is going to be unaffordable in all the places where the demand is most acute. I simply cannot see how it can be any other way. When I hear terms

like affordable rental, a chill goes down my spine. What is affordable rental? It is something called the differential rent scheme. That is what council rents are. What is this other category of affordable rental that we think we are going to come up with? Council rents are affordable rental and are linked to ability to pay based on income. If the income goes up, the rent goes up. If it goes down, the rent goes down. The level of rent is set as a proportion of how much it is reasonable to expect someone to pay in rent given their income. That is affordable rental. Why would there be another category of affordable rental? It will be rent that is set by the developers and the market. We can debate if there should be a 5% or 10% discount on that, but it would be way in excess of what ordinary people can afford.

Even if the Minister will not do what we are asking, and I hope that he will, he has to realise that we have to double, if not treble, the planned output of council housing, delivered by the councils and ideally with a State construction company marshalling the workforce with the skills to deliver it on our terms. The plans should be dictated by this House rather than the vagaries of the market or what the vulture funds feel like doing. I hope we will do that. At the very minimum we should have a higher proportion of what is being given to the developers in the case of these 700 sites or in the case of the big developments that are beginning to take place. I have mentioned Cherrywood. There are 8,000 units in that development. If we got even 30% of Cherrywood, we could pretty much solve the housing crisis in Dún Laoghaire, but 10% of it is not going to go anywhere near to dealing with it and the prices would be worse at the end of it. Will the Minister not do that? When this was being debated before, there was talk of legal advice from the Attorney General. It was suggested that 10% is okay but if we go above 10% we are in danger of infringing private property rights. I would love to hear the argument around that and how 10% is not infringing property rights but 20% or 30% is. That does not make any sense to me.

The argument used against rent controls was that it could not be done, and then suddenly it became possible. If any kind of rent control is possible, it should be a more substantial rent control that brings rents to affordable levels. At a very minimum in this specific legislation, the 10% threshold could have been increased or an injunction placed on local authorities in order that they would have had to have gone for more than 10% of the private developments that are being built.

6 o'clock

The Government could have changed NAMA's mandate, although that horse has more or less bolted. In so far as the agency has any assets left, the Government could have said "NAMA is not going to sell any more property to vulture funds because we know what a disaster that has been". Does the Government even acknowledge that what happened with NAMA was a big mistake? It could cover itself by saying that when NAMA was first set up it seemed reasonable to mandate it but that, in the face of a massive housing crisis, the idea that the State should unload large amounts of properties to vulture funds that sit on them, evict people and ratchet up rents, was not the greatest and that maybe the practice could be stopped.

We could have legislation that declares a housing emergency for the next three or four months and that all economic evictions will stop. The Government could say it will ensure that the position will not get worse. That could have been done in this Bill. It could have closed the loopholes that have been exposed in the Planning and Development (Housing) and Residential Tenancies Act 2016. We have discovered that it is possible to get around the 4% cap on annual rent increases in a series of ways, which is what vulture funds are doing at the expense of ten-

ants. The Government could have adopted emergency measures such as the compulsory purchase of empty lands and properties. That matter needs to be dealt with as a matter of urgency.

I would like to hear what the Minister has to say about fire regulations in view of the horror of Grenfell Tower and the possibility that we could have similar situations here. I spoke to the Minister of State at the Department of Agriculture, Food and the Marine, Deputy Doyle, about this recently. Is the Minister engaging with the concerns flagged by people such as Noel Manning, a fire safety consultant, about the inadequacy of the fire regulations? I am not an expert but Mr. Manning has stated that the Department of Housing, Planning and Local Government has known for years, and has received submissions to the effect, that the existing fire regulations will not deliver on the requirement to ensure that between units there is fire resistance to the degree of 60 minutes. We saw evidence of this in the Newbridge fire. The fire spread in houses that were signed off as compliant with fire regulations showing that those regulations failed. When will we get a clear response in respect of those very worrying allegations? When will the fire regulations be amended in order to ensure we do not see a repeat of the Grenfell Towers fire? This should happen as a matter of urgency.

I would have liked to see urgent legislation - this could have been done in a number of ways but it definitely could have been included in this Bill - to protect school playing fields that are being sold off by the religious congregations in order to pay off debts relating to the abuse that took place over many years. I have mentioned Clonkeen College in my area, the playing fields relating to which have been sold off, on several occasions. Approximately 80% of school playing fields that have been used for years by schools and that are owned by these religious congregations are zoned residential so, effectively, there is no planning protection against the Christian Brothers seeing these as a financial asset and flogging them off and degrading the facilities available to our schools. Those are some emergency measures I would like to have seen in addition to what is being done to deal with the urgent social crisis around housing. I would have liked issues such as fire safety and school playing fields to have been addressed also.

Deputy Clare Daly: This is a short Bill to correct an error in a much larger legislative measure that was rushed through the Oireachtas before Christmas. We cannot leave it at that, however, and we have to start by saying it was inevitable that there were going to be errors because of the manner in which the previous legislation was pushed through. During the Report Stage debate on the previous legislation prior to Christmas, Deputy Ó Broin pointed out a number of technical drafting errors. Here we are again, on the eve of another recess, and history is repeating itself. That just is not good enough. This will inevitably lead to the same type of mistakes being replicated. We have to return to the original Bill that we are attempting to amend because that Bill was a repeat of the disastrous housing policies that have been pursued with the same results. We said at the time that the rent predictability measures brought in with the previous legislation Bill would not work and that has proven to be the case because rents have continued to rise. The Government's response to the evictions which followed that continuing massive hike in rents has been to convert warehouses. Its policy in that regard is ridiculous.

We have to get back to basics and examine housing policy in this State. If what has existed in recent years can be called a policy, then it can at best be described as a method of giving developers whatever they desire in the hope that, in return, we will get some houses back for local authorities. The consequence of doing that has been unregulated development. We are loosening some checks and balances that were important in the context of encouraging sustainable development in order to facilitate that process. It is the very process that was not sufficiently regulated in the first instance that has given rise to shoddily-built, overpriced houses

in areas with no amenities, not to mention to the issues - such as those relating to fire safety, etc. - highlighted by Deputy Boyd Barrett. If we say that the legislation we are amending was an ill-thought-out developer's charter which has done nothing to address the housing crisis, we can also say that it did take a hatchet to some planning regulations. We have to spell that out. For the vested interests in the Irish property sector it was happy days, but for people trying to put a roof over their heads it made no difference. Houses have become less affordable to either rent or to buy.

It is an incredible irony that a housing co-operative in Dublin could recently manage to build an entire estate of houses and sell them for €140,000 per unit at the same time that developers in NAMA tell us they can only build houses at a cost of €330,000 per unit. Somebody is not telling the truth and I do not think it is the co-operative because it has delivered the goods at the price to which I refer.

The emphasis has been the wrong way around. Since the coming into place of the Urban Renewal Act 1986, the public has been asked to subsidise developers through a long series of tax incentive schemes for development. Where has that got us? We have poured billions into this situation, with incentives for hotels that cost us approximately €500 million between 2011 and 2014, nursing homes that cost over €100 million in incentives, student accommodation that cost over €123 million in the same period and section 23 tax relief that cost almost €1 billion. Despite all these reliefs and incentives, the current dysfunction continues and we still have a major crisis. That means we are doing everything wrong and that we have the whole thing the wrong way around.

The Bill is intended to correct errors in the legislation that was pushed through prior to Christmas. However, it also provides the possibility - specifically in terms of the amendment that Deputy Wallace and I have tabled for Committee Stage - of correcting one of the most irresponsible sections in the principal Act, namely, section 28, which provides for an extension of planning permission on projects containing 20 units or more. The original Act provided for the establishment of, obviously, a fast-track planning permission system, in which decisions about certain large planning applications would be taken away from the planning officials in the local authorities who had all the local knowledge, and given to a handful of people in An Bord Pleanála to deal with. On top of that the appeals process was undermined and possibly in contravention of the Aarhus Convention due to the input of the consultation with communities being undermined.

The implications of the Bill before us are not very clear. It raises very serious questions in terms of the kinds of developments that would benefit from the proposed legislation. The question has been asked, but I shall ask it again. Where are the 75 developments and landholdings that have been mentioned by the Minister or spoken of in the public arena that are going to benefit from the change that is currently before the House? How many are sites with active planning permissions due to expire this year? How far back do the original planning permissions go that would be covered by this Bill? Are fast-track planning permissions from An Bord Pleanála, for example, now permitted to avail of the five year extension? If so, why would fast-track planning in 2017 need a five year extension to a five year permission? What is the urgency in providing it now?

The Minister's official is looking aghast but I think I have a fairly moderate level of intelligence, as do the staff who work in my office. If we are making the points that this legislation is unclear then it is spelling out that the legislation is unclear if we do not know the answers.

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Once again, it is a salutary lesson in the bad practice of pushing through planning with serious consequences in this way.

I ask the valid question, namely for how long is it possible to extend a permission under these new rulings. From looking at it, it would appear that a 2007 planning permission can be extended up to 2021. Is that the case? If it is can the Minister explain if this is not encouraging land hoarding and land speculation as well as, critically, ignoring the 2014 revisions to the environmental impact statements directives, which Ireland has yet to transpose into law? The due date for that, incidentally, expired on 16 May this year.

Putting aside for a moment the abomination of waiving the need for reassessment or the need for an environmental impact assessment in what could amount to a 14 year planning permission, we feel it is vital that an amendment is made to ensure that any planning permissions that qualify for this gift of an extension are completely compliant and in accordance with the planning and development Acts, its regulations and any other requirements, including up to date versions of the building regulations.

If a development was originally started it has to apply the standards of today. We need buildings that are up to the standards of best practice in Europe. We should not be letting developers off the hook on issues such as less stringent building regulations that may have been in place in the past or their obligations to reduce emissions and so on.

It is not clear what is in the Bill or how broad are its provisions. We are right to be worried because the promises that were made at Christmas were not delivered upon. In fact, the situation has become worse. Given the tactics and strategies the Minister is following he seems willing just to repeat it over and over again. It begs the question. The reality on the ground proves that the Minister's housing policy is captured by the big players in the industry such as Cairn Homes, Hines, Kennedy Wilson etc. Despite all the legislation that has been rushed through the House the situation is not changing.

It was absolutely galling to listen to Frank Daly of NAMA at the Oireachtas Joint Committee on Finance, Public Expenditure, Reform, and Taoiseach this morning. He told the committee that only in recent years has it become commercially viable to build houses again. Why did Frank Daly and NAMA give away assets belonging to the State at precisely the time it was not viable to build houses? The same gentleman spent the meeting telling Members of his concerns about land hoarding. This is when NAMA and its tactics have been the biggest contributors to land hoarding in the State, not to mention the facilitation of vulture funds in NAMA selling off the assets for a song. Yet, we do nothing to curtail their activity. We let them carry on regardless.

I would be grateful to the Minister if he could answer the questions we posed around the effects of this legislation, especially regarding the requirements for an environmental impact assessment. We believe this should be carried out in all developments to honour our environmental concerns and responsibilities in this era when the climate change catastrophe is coming down around us.

An Ceann Comhairle: I thank the Deputy. Is she now giving way to Deputy Catherine Connolly?

Deputy Clare Daly: Yes, if she wants.

Deputy Catherine Connolly: No I will not.

An Ceann Comhairle: In that case, our next contributor will be Deputy Catherine Murphy who will be sharing time with Deputy Eamon Ryan.

Deputy Catherine Murphy: I shall be making some of the same points that other Deputies have made. Here we go again. It is the last week of term and we are presented with a piece of emergency legislation. If it is not planning, or should I say development, legislation it is Irish Water legislation. That has been the constant at the end of each Dáil term. At this point I believe it is being deliberately held off until the last minute. If the Bill had been brought to the House last week there would have been a bit more time but it is being rushed through now. This has happened too often.

The Bill is called the Planning and Development (Amendment) (No. 2) Bill 2017. It is, however, not a planning and development Bill - it is a development Bill. We should just call it what it is. It is a development Bill. I would certainly not want to see a site that is largely completed having to go back for planning permission if the completion of the development is imminent. I do not, however, see why an extension to planning in such cases would require five years. In fact, by giving it a five year extension the pressure is possibly being taken off to complete the work, given that we are trying to get houses finished and housing estates completed. It is not just about completion from the developers' perspective or those who wish to buy, it is also about having the development completed for those people who are already living in these estates. I know people who live in housing estates that were started in 2007 and the developers received the benefit of an extension of duration to the planning permission. The estates are still not completed now. It is a small number, but the idea of it going on for another five years would be the last thing people want. There are not just one or two parties associated with this, there are multiple parties associated with it.

When we get legislation in this manner we do not get the time really to consider the things that could go wrong. This is exactly what Members need to do with legislation - look at what could go wrong. An extension of duration means, essentially, that the original planning permission is unchanged but the duration of it is allowed to be extended. I spoke with a builder recently who has a site. He made a planning application around 2005 or 2006. He did not act on that planning permission. I asked him what he was going to do with the site, which happens to be in my constituency. He told me it was from a different time, the plan was too ambitious and it would not be the type of permission he would apply for now. We could find these very permissions falling into this category.

With extensions of duration the type of house or the type of apartment cannot be changed. Conditions will go along with these permissions and questions on whether or not they can be in compliance. Irish Water, for example, has been introduced since the Planning and Development (Amendment) Act 2010 that allowed for extension of duration. Obviously things must be referred to. The taking in charge process with Irish Water specifies the number of years after the planning permission has expired. Are there unintended consequences with this legislation? In theory this legislation probably provides for a 15 year permission and this could impact on the taking in charge process.

Who defines "substantially complete"? Very often this can be an issue in relation to the Multi-Unit Developments Act. This relates to owners' management companies as opposed to developers' management companies. Has that been thought out? If it has, I would appreciate a

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response because there have been changes in legislation since the original planning permissions were granted for what is to be completed.

There are cases of planning permissions that were granted in, say, 2007, where the Part V obligation was included in them. In some local authorities a price was negotiated for the houses that would be completed in the context of the Part V obligation. It may not apply at all but some of the prices that were negotiated and had to be paid were on the high end. I do not know if it applies in this case. I am just questioning in the way one would normally question when going through something like this if one had the time to really think out the kind of things that could crop up.

Who decides what is “substantially complete”? There could be great variation throughout the country in its interpretation. I had an issue with the definition “substantially complete” in the past. It was in the context of a management company. In fact, the people in the housing estate largely managed the housing estate out of their own pockets for years until the developer came back, when it was viable to do so, in the past couple of years. They certainly paid a price over the inflated price that they paid for their houses. Therefore, I really do have a problem with the term.

The point relating to the Aarhus Convention that Deputy Clare Daly makes is a valid one. Planning requires consultation and, in the main, people do not object in the main for frivolous reasons. Most people have a lot more to be doing with their time. Often there is a reason to object, however, and this is part of the planning system but we are seeing an increasing movement away from that position. We saw it in the legislation before Christmas. The appeals mechanism is pretty much gone because there is now only one mechanism through An Bord Pleanála and the local input is substantially reduced by virtue of the non-involvement of the local authority in the decision at that stage.

Two years ago one of the first things the Social Democrats sought was a delivery agency. This would allow delivery on large sites that would be project managed and would include a mixture of tenure, size and house type, as well as socially-mixed communities. The former Minister, Deputy Coveney, spoke about that kind of social integration but what we are doing today will not and cannot achieve it. It is really disappointing that only a very small number of people in the Department of Housing, Planning, Community and Local Government are involved in the delivery side of housing, and I suspect they are involved in the local authority side, which is painfully slow. We suggested a delivery agency that would be connected with the Housing Agency and the Housing Finance Agency. It would be a project manager. If we want to take the risk out of the system and create certainty in terms of the development of very large sites, where planning permission is guaranteed, it having been sought and granted, the builder could come in and build components of it rather than be the developer of the whole site. This would have the benefit of driving down costs as there would be economies of scale.

We certainly would not want to see something that is largely complete remain incomplete. However, the five-year aspect to this is a big issue for me. I will see what attitude will be taken to that amendment and other similar ones.

There is no doubt that we need to have almost a war office-type approach to delivery of housing. If that did not fall into this kind of category, I would not be supporting it. There are too many imponderables here that could come back and bite us. I was elected first to a county council in 1991. I spent the next ten years picking up the bits and pieces after what was some-

thing of a housing crash in the 1980s. One gets some experience of the kind of things that might crop up by virtue of the issues that present following such an event. We are back around making the same mistakes again. There are aspects to this Bill that have not been thought out and which will come back and bite. This is not the way to treat what is a legal system. Our planning system is a legal system. Sometimes that is overlooked.

Deputy Eamon Ryan: To follow on from Deputy Catherine Murphy's point, one of the issues that may come back to bite is the separate ways we are treating section 28(1) and section 28(2) of the 2016 Act. This is one of the real concerns the Green Party has in terms of the process we are engaging here. Why are we treating the original provision not to provide extensions for those developments that would require an environmental impact assessment, EIA, or other appropriate assessment differently to those for which that might not be required but have more than 20 homes? We do not understand it. I have a certain number of questions because many of our amendments relate to concerns on that issue.

To delve into it, the Minister has given some detail. We are all reacting here because the Bill is last-minute and complex and is amending recent legislation. However, the Minister said section 28(1) was being amended because we found out that it was not in compliance with EU requirements. When did we find that out? How did we realise it? We know that some of the other amendments under discussion today were on the back of Fianna Fáil Deputies realising some of the difficulties in the 2016 Act. When did we discover there was this issue in terms of the implementation of that amendment, namely, section 28(1)?

Even having found about it, what we cannot understand is why we do not commence that section of the Act straight away. The current situation is not in compliance with EU law. I think it was Deputy Boyd Barrett who said that the latest version of the EIA directive was meant to be in force by May this year. If we are not in compliance, surely the Minister would be saying we have to get in compliance with EU law straight away. Why do we not just fix it and proceed with the implementation of section 28(1)? Is there not real vulnerability that we might be back here again? That is, there will be certain decisions which will be allowed to go through, for instance, planning decisions that may be given extensions but then we may find ourselves retrospectively recognising that it was a mistake because they were not in compliance with EU law.

The Minister said there were perhaps 75 or so applications - it is somewhere between 50 and 100 - where we may want to get the housing built. Those applications might have more than 20 homes. Is the Minister able to tell us how many applications there are where that section 28(1) would apply? I refer to developments which would now require an EIA. In a sense, who is involved in this decision? Which developments or how many developments require the Minister to take this dual approach in terms of not commencing that section until later this year? We do not understand the logic of that or of what he said in speech. He said:

Developers need time to consider and comply with the new EU law requirements, and, as the case may be, apply for an extension of duration or a new planning permission. That is the reason I am not commencing this provision immediately but expect to do so by the end of this year.

Surely the only approach one would recommend here is that any developer in this situation would do what has to be done, which is to apply the latest EIA requirements. Why are we not pursuing European law in this approach? I do not understand it. Every Member is anxious to get housing built, but I am concerned that in some ways it is our lack of rigour in planning that

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is causing some of the uncertainty and the problem of hoarding, which we heard about from Frank Daly at the Oireachtas committee meeting today.

This is one element of it, but I have been concerned for many years, given the amount of zoned land we have, about how we have bent over backwards for developers. In some instances, we did so for financial gain. The real winner in recent years has been Tom Parlon, as I have seen since returning to the Dáil. He has been probably the most powerful operator here. We have given everything we can to the construction industry in terms of tax breaks, lowering building standards and doing whatever we can to get housing built. However, the constant effort to do whatever the construction industry thinks it needs to get housing going is not working. As much as everyone wishes to see finished housing developments that have already commenced, there is a concern that we are constantly ceding planning control. In this instance we are effectively giving a second extension where there is a 15-year timeline. This is as well as all the zoned land, the changes we are making to standards, tax breaks and removing the charge on rezoned land. It appears that this approach to trying to coax the construction industry to build is not working. At some point one might say, “let us be clear and firm so that if we say the planning permission is for X period, it is for that period”, rather than create the expectation, which we are in danger of doing, that even though we state the permission is for that period, the developer knows he or she will get the nod in the end so he or she does not necessarily have to go ahead. That is a valid and real concern.

Our primary worry is whether we are creating further legal difficulties for ourselves by not implementing section 28(1). I agree with some of the other questions relating to what substantial completion means and why it must be a five-year extension. Is there a risk that this allows for some hoarding? Are there some other developments that we should exclude? Are we going to include the fast-tracked developments that are going straight to An Bord Pleanála and why would we possibly include them? I assume we are not, and I see that the official is nodding. We are raising these questions to avoid us having to return to this again should certain developments occur and a legal challenge is made because someone says they are not in compliance with EU law. Why would we take that risk? That is what I do not understand with this legislation.

Deputy Fergus O’Dowd: This is urgent legislation. It is unusual that such a Bill would go through all Stages so quickly, but there is a compelling reason for it. In the town of Drogheda where I reside, there are existing planning permissions. Many of them have not been acted on because the builders either commenced or would have intended to commence before the bust and now they wish to be in a position to start as soon as possible. I am particularly interested in social housing as it is very important. It is certainly badly needed in Drogheda. If this legislation will facilitate the construction of social housing under permissions that were properly given and are extended under serious and clear decision-making processes which are transparent and open in every respect, I do not have a problem with it. That is what is important now. If this legislation will put more of my constituents into social housing for which planning permission was given, I am happy with that and welcome it.

I wish to respond on a few issues. I will not fight with my colleague, Deputy Clare Daly, but I wish to make a point about NAMA. I always make this point because it is true. Much of what the Deputy said is true in many respects but it is also true, and this is at the heart of the housing problem in this country, that NAMA offered 6,200 homes to local authorities throughout the country. Fewer than 2,500 of those 6,200 homes were taken up by local authorities, notwithstanding the fact that NAMA repeatedly gave commitments in writing that if the units

needed to be refurbished or if they had been vandalised as a result of the recession and so forth, it would spend its budget of up to €200 million to ensure Deputy Daly's and my constituents who needed social housing would get it. I am very concerned that this did not happen. NAMA made a genuine offer. I went through it in detail. The local authorities seriously erred in their lack of commitment and in the lack of interest in the offers made to them. This is especially the case in major cities such as Dublin and Cork where they were not accepted. On the other hand, Galway took every home it was offered. The local authorities have serious questions to answer.

I am somewhat cynical or jaundiced in my view of their commitment to social housing. There was a hidden bias against increasing the proportion of social housing beyond 10% in some areas. In fact, I understand that all those houses are now occupied by people who are social housing applicants. Most of them are on the housing assistance payment, HAP. They are living in estates that the local authorities would not and did not take over, and now they are all on their housing lists. The landlords are making a supreme killing in all this.

The other issue I wish to address is serviced land. I welcome the commitment in the budget to allocate €200 million to facilitate the opening of lands for development. I wish to draw attention to the Army camp in Gormanstown, County Meath, which is beside my constituency. It is a massive 250 acre site that is owned by the State. There was a proposal some years ago to put housing on it, but that disappeared. According to replies to parliamentary questions, the Department of Defence appears to have great plans to develop it. However, I see no need for increased military occupation of the 250 acres of land, so perhaps we could see what we could get from it. The initial proposal was for 60 acres or even less. The land is owned by the State and can be serviced by the State. Builders or developers could be encouraged to build a suite of specifically designed houses there at a fixed price. I believe that is the way we must proceed. It will be possible to cut through the red tape because there are no issues with ownership or with access. There is a motorway right beside it and there is a railway station in the village. I accept that it would be a new community and would require supports, but places such as Stamullen are nearby. They were significantly developed during the boom.

There is an inventory of State-owned lands in the Department, and I believe quick wins can be achieved in this regard. One can get around the bureaucracy and fast-track the planning. It makes sense to use this and other planning legislation to the advantage of social and affordable housing. This is the first time in many generations that young people aged in their 20s and 30s cannot buy a home on their income or joint income in the case of a couple. It is a disgrace that a fundamental need for family formation and rearing children for those lucky enough to have children, namely, to have a home of one's own, is no longer possible for the vast majority of people. The Government, in its future budgets, must pursue policies aimed at allowing people to fulfil this aspiration. In my generation, anyone who worked had an opportunity to buy a home. A more radical approach is needed to addressing this issue.

In terms of planning, we must focus on our city and town centres. I acknowledge the opportunities provided by the Living City initiative have not been grasped, particularly in the areas at which it is directed. I hope officials in the Department of Finance will fine tune the initiative to make it more attractive for developers to build in derelict parts of town and city centres, for example, dockside sites, abandoned areas near railway stations and the business districts of the 19th century and early 20th century where activity no longer takes place because communities have moved away. Moving into these parts of our towns and cities offers significant advantages because infrastructure such as roads, footpaths, lighting and water and sewerage systems is already in place. While I acknowledge that the Government is examining the cost of construc-

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tion, it should be an advantage to builders to build where such services are already in place. People who wish to build or restore a property in these areas are currently at a disadvantage, however. It does not make sense from an environmental, community or climate change point of view that it is cheaper to build on a greenfield site than in derelict urban areas. New initiatives are needed.

Under one such initiative in County Louth, legislation is being used to take over abandoned and boarded up properties in housing estates and town centres. Approximately 50 derelict properties, which were taken over and refurbished, are about to be occupied. They are all being sold at less than €100,000 and families will gain significantly as a result of this initiative.

I welcome the Government's intention to introduce a property tax on dwellings that are not principal private residences and have been vacant for a considerable period. This measure presents a quick win. I and many others would not have a problem with a measure that imposes a significant property tax within a certain period of registering a property, provided it is not the principal private residence.

I welcome the legislation as it will benefit a limited number of developments - a figure of 70 developments was mentioned. It will make a significant difference in my home town if planning applications do not have to be resubmitted for developments that have already secured planning permission. I appreciate Deputy Eamon Ryan's point that the planning permission will have been granted at a different time when different conditions applied and more stringent conditions could apply if the process were to commence *ab initio*. However, this provision could result in an additional 3,000 or 4,000 houses being built in Drogheda in the next couple of years. I support the legislation for this reason.

I acknowledge the difficulties and concerns that always arise when legislation proceeds quickly at the end of a session. However, this occurs during all Administrations, including the Government of which Deputy Ryan was a member. I agree, however, that it is difficult to engage in maximum scrutiny in the minimum amount of time. Deputy Ryan's questions are, therefore, germane and appropriate. I support the Bill because it will lead to families in my constituency securing a home sooner rather than later.

Deputy Mattie McGrath: I apologise for missing my slot and thank the Ceann Comhairle for allowing me to speak at this late stage.

It is right that we address this issue and I congratulate those who identified it. Some developers obviously raised it with Deputies and sought to have amending legislation introduced. We should proof all legislation passed in the House. Last night, I stated that all Bills should be rural proofed, especially when they have a significant impact on rural areas. It is obvious that a recent planning Act contained a flaw. Much of the legislation passed by the House is flawed and it should not be unwieldy or difficult to correct such flaws. All legislation should be re-examined after a maximum bedding in period of 12 months. We have had ludicrous examples of legislation having unintended consequences. In many cases, the common man is unable to use, work with or manage legislation. This applies in respect of An Garda Síochána and in other areas. The issue must be addressed to ensure we do not pass unworkable legislation that makes a bad situation worse.

I am a member of the Committee on Housing, Planning, Community and Local Government. I apologise for not attending many of its meetings but it is difficult to do so as I am a

member of a number of other committees. Another reason for my frequent absences is that I am weary of all the talk about rebuilding Ireland and providing houses. The debate is going around in circles and getting nowhere.

I declare an interest to the extent that I am involved in the construction industry through my business, although I supply services rather than build houses. While I do not know what is wrong with the housing sector, I fully support the amendment proposed in the Bill to address one issue. I am glad that people who had the noble vision of building a home for themselves will benefit from the provision. They were not looking for the State to provide them with a house and went through all the hoops to secure planning permission. Some of them could not get a mortgage in the final hour because the banks went bust. They may be getting back on their feet again and wish to build a home. I am glad such people will have their planning permissions extended by five years.

I support the provision relating to developments of 20 houses or more but concerned that it does not make reference to developments of five or ten houses. I am also worried that it does not impose an upper limit on the number of homes in a development that will benefit from the provision. I made a submission on the Tipperary county development plan, which was not accepted, in which I argued that planning permission should not be granted for developments of 100 or 200 houses in small villages. During the boom times, developers sought planning permission to build 200 houses in small villages. In my village, we fought the developer tooth and nail but he secured planning permission for 99 houses. Thankfully, these homes were not built because they would have ended up as a derelict site. The developer in question ended up in the National Asset Management Agency and left the country but has since returned having bought all of his property back from NAMA. These large developments change the character of villages and communities.

We do not hear anything about community facilities. We fought the planners for a playground and a site to extend the community hall. Across the pond in the UK, community facilities are part and parcel of planning applications and will be thrown out if they do not include such facilities. This is necessary because the character of many villages, including a small number in County Tipperary, has been changed by large housing developments. The Ceann Comhairle will be more familiar with this problem than I am because housing need is greater in the commuter towns and villages of County Kildare. I am concerned that the Bill does not impose a cap or upper limit on the number of housing units in a development. I understand that a development may have 50 completed homes which have been sold and are occupied, with a further 40 under construction and 50 or 60 more not yet started. It is fair enough to have phased developments but some type of upper limit must apply.

As I stated, the Bill must be reviewed and a provision included to monitor how many homes are being built. The Minister and his colleague, the Minister for Finance, Deputy Donohoe, can do one basic thing. People have been critical of Mr. Tom Parlon. I am no spokesperson for him, but we are not getting houses delivered privately, so we must consider the VAT rate. During the talks on forming the Government last year, we fought hard on this issue with the Minister, Deputy Donohoe's, predecessor, Deputy Noonan. He flatly told us that we could only have three rates of VAT. We could half the rate and insist that the city and county councils - not request, but insist, because we have power over them - cut their crazy development levies. As a councillor, I supported the levies in the boom time. In particular, I supported and defended the community charge. I was criticised for that but it proved beneficial for child care facilities, playgrounds and many other pieces of infrastructure that would not have existed otherwise.

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There is a full section in England, but we only added it in at the end. There was a roads charge and a water charge.

We could cut the charges and the rate of VAT by half, but we do not want to cut them for the builders. Cut them for the people who are buying the houses or, in particular, handling their own builds and pass the benefit on to them. We could get house building going. I have spoken with builders. The construction industry and others tell us that building for the current prices is not viable. House prices in Dublin are crazy, but not in the country.

The change of use situation is crazy. I spoke with a small businessman who had built a brand new premises and refurbished an old building beside the famed Hearn's Hotel and Bianconi House in Clonmel. The business did not go well, though, and he told me one day that he was thinking of changing his modern building into five apartments. He had hired an engineer, done the design work and went to his accountant and his bank. The council told him that he could make the change, that it would be no big deal and that he would have to apply for a change of use but then he learned how much the fees would cost. Along with the VAT, they accounted for 48% of the project. His accountant told him that he had no hope of getting funding for that from the bank. When he went to the bank, it laughed at him. He was caught. That 48% of the cost is in the hands of the Minister, the Oireachtas and the council equally. We could sort it out for people with two strokes of a pen.

There are empty buildings in every town in the country. I talked to a poor person who owned a shop that had been closed for 20 years. He is a man of nearly 90 years who lives upstairs. He fell, so he wanted a disabled person's grant, DPG, to do something downstairs. It was a fine big shop at one time. It was beautifully preserved and its front, with bars, windows and all, was listed. It was lovely. He would not have touched any of that. He was only going to put a timber and slab partition and a downstairs toilet in a corner of a room. It was not to be because while he could get the grant, he would have to get planning permission for a change of use first, which is ridiculous.

I made a submission to our previous county development plan in Tipperary calling for rules relating to shops to be amended. People on every street in villages and towns in Ireland - not so much in the cities, but in some cities - abhor the dozens of empty clothes shops. If the owners of a shop that has been closed for perhaps ten years - I would think five - have no hope of ever getting it back in business, its use could be changed to a living unit or two. This would make a major dent in the housing lists without incurring savage change-of-use charges. Perhaps it could be done at a reasonable cost and VAT rate. The reduction could be passed on to families. If that is anathema to the Green Party and those on the hard left, who believe that nothing can be given to developers because they are pariahs who cannot be supported, then the families looking for loans to live in those units could be given a VAT reduction. We must get over these hang-ups. More and more people are becoming homeless, including those who are being made homeless by the banks we bailed out. The system is upside-down.

I have listed two simple measures that could be taken. They would allow people to move into units. This would reduce homelessness significantly. At present, 3,020 people have been approved for housing in Tipperary, never mind the 7,000 or 8,000 waiting on the lists. I received an email this evening from a man about his 70 year old mother who had been made homeless. She was told to get HAP, but she cannot get it. Every Deputy deals with situations like this one. My proposal would promote a living town centre and would provide housing. It would kill two birds with a single shot, not a double-barrelled shotgun.

It is not rocket science. I mean no disrespect to the public servants who are present, but I do not know why Departments cannot understand, deal with or finance this or why it must be so difficult that we cannot have this or that. Give the VAT back to the people who want to buy properties or do them up themselves as long-term or HAP leases or whatever and people would be living on those streets again. Only two families now live on Clonmel's main street, O'Connell Street. It is frightening at night time. For a long time, we had to deal with that planning situation because people wanted to move out to rural areas to live. That was okay, but then it was not okay and now the streets are desolate at night. They are also desolate during the day when all of the shops are closed.

It is not rocket science. We do not need gurus or people with degrees out their ears telling us what we need to do. They told us plenty before and we did much of what these experts said, but they were not to be found when the S-H-1-T hit the fan. They were not next nor near the place with their expert reports. They have gone elsewhere to consult on something else.

It depresses me to attend housing committee meetings - I mean no disrespect to any of the members, two of whom are present - and listen to all of that. This morning, officials from several county and city councils attended the committee. In fairness to Mr. Michael Walsh, who is chief executive of Waterford City and County Council and is a good country man with a good understanding of country life, he admitted that the capacity to build houses had disappeared from local authorities. It has. They had not built any themselves for 40 years, of course, but they had built thousands using good contractors whom they recognised. That stopped well before the crash, when the boom started. How can it take ten years for councils to kick into gear again? It beggars belief. No business would survive if it was out of operation for ten days, never mind ten years. Mr. Walsh said that councils now had the capacity again, thank God, albeit not to build houses themselves but to get builders, the land and everything else organised.

The Department must take a lot of the responsibility for this. It is too slow. Too many stages have to be passed and too many things are travelling up and down. People must first make a submission of interest. That goes up to the Department. That takes six months to come back down. That one is then sent back up after perhaps two months and it takes another six months to come back down. Then it goes to Sligo, Carlow or seven different places around the country.

It is the same for voluntary housing. I am a proud member of a voluntary housing association. It is small, but it built 14 houses, and then three further houses, in jig time. The local authority built in the same field and ended up with more steps than go up the floor in this Chamber. We did not have a step in the complex. We were a voluntary board of 12 lay people. The authority made a dog's dinner of the site. Its buildings are falling down. Anyone can go and see that. With all of its designers, consultants, engineers and architects, it made a dog's dinner of the site. Three builders were involved and five or six years were spent building. For three winters, the roofs were on timbers with no slates. Now, people are expected to live in those houses. The plaster slabs have fallen off the walls. Everything has happened. We are in the same field with the same terrain, same weather and same foundations, and we could do our work as voluntary lay people.

We started that in 1996. The rot and lethargy had set in then. I do not know what went wrong. There was no accountability or checks and balances. We were dealing with a voluntary group at the time. It short-circuited. There was one sub-department in the Department to deal with the voluntary sector but now it is back again with five or six groups, creating jobs for public officials. I do not know who they are serving, but they are not serving the public. It is

not acceptable.

I welcomed Mr. Walsh's statement that local authorities had the capacity again, but when will they get the houses? There are many people waiting for houses in Waterford. I do not know why we cannot do this. It beggars belief in 2017. We built them when we did not have a crane or a JCB and had nothing except picks and shovels but we cannot build them now. We have builders. We cannot demonise them all. We have a lot of good, small and capable builders but they cannot get money from the banks either. The banks are a major problem. As quickly as we build houses, they and the vulture funds are dispossessing people and throwing them out.

The situation has gone badly askew from what was wanted by the people of 1916 whom we have commemorated. It has been pulled asunder by the system. The system has become too cumbersome. We must tackle it in Tipperary, Cork, Donegal and Dublin. The system is failing us. We can have all of the reports that we want. We could build houses with them, given their size and volume. We need to change the system.

I will not speak any longer. It is a Thursday evening and people have other business to discuss before we rise, but I know that I will be in the Chamber when we return in September talking about the same issue and we will not have many houses built. It saddens me that we do not have houses when all that people want is to buy a house or build their own. Some want to apply for social housing. There is nothing wrong with that either. None of that is happening. The Dáil should consider another system.

Any Bill that is examined goes through pre-legislative scrutiny.

7 o'clock

We need scrutiny afterwards because with the best will in the world, the man who never made a mistake never made anything. All of us together, collectively, can make mistakes and we need some way of looking at the legislation within six months. It should definitely not be more than a year after it is passed.

An Ceann Comhairle: I thank the Deputy for his contribution. The Minister, Deputy Eoghan Ryan, to respond. I mean Deputy Eoghan Murphy. *Mea maxima culpa.*

Minister for Housing, Planning, Community and Local Government (Deputy Eoghan Murphy): I will speak directly to the purpose of the Bill in front of us. I will not go into the wider issues people have raised because time is an issue and because we will have oral questions on a number of the issues during Question Time later this evening or early tomorrow morning, depending on how things go. The amendments process will give me a chance to speak in more detail on some particular issues. I will read from my notes.

Deputy Cowen spoke well about the balance we have to achieve with this legislation. I agree with his comments on that point. This legislation is primarily to do with a second extension. It is temporary and it will fall out of law. It will only be in the case of certain conditions that have to be met. It is about the completion of houses that are being built at the moment.

Deputies Clare Daly and O'Rourke talked about the work they have done to help identify the mistakes and to improve this amendment. Recognition must be given to the Deputies for the work they did to make sure this extension will apply to both periods - the original period and the first extension - in terms of who can apply for the second extension.

Deputy Ó Broin talked about this having a significant impact on planning. The significant impact will be on continuing to build the houses that are being built. As for this being a bad way to introduce legislation, I acknowledge it is not ideal but when what was potentially about to happen came to my attention, I had to make a call. A much more substantive planning and development Bill is on Report Stage, which the Minister of State, Deputy English, has been taking. It came to my attention it would not be completed this side of August because of amendments the Government wanted to table in the Seanad to recognise contributions made by the Opposition on the new office of the regulator and its role in transport and planning. I decided because of this particular provision that it was better to bring it forward in this way and that we needed to act because of the implications it might have for current builds. I apologise for that. I appreciate the need to get around the complexity of this. The committee has looked at this issue previously to a degree and it understands it. I know from the engagement I have had with the committee that it understands the issues very well.

I am open to sharing information. It has always been my way whether as a backbencher or Minister of State to work in co-operation with other Members of the House and nothing has changed in that regard. The letter the Deputy wrote to me only came back into my mind as he mentioned it. It is on my chair to be dealt with. I did not get around to dealing with it. If the Deputy was familiar with my filing arrangement in my office, he would know that being on my chair is the most important place something can be because I cannot sit down until I deal with it unless I find a second chair, which I did in this instance because it has been a particularly busy week. My intention is always to share as much information as possible, particularly when we have to work together to get something important like this done.

From the interaction the Department has regularly with different housing bodies and the Construction Industry Federation, we know there are somewhere between 50 and 100 developments currently under construction that need to avail of this extension in order that they can be completed efficiently. The figure is somewhere around 75; it is not an exact figure. They are mainly in the commuter belt and all have Part V provisions attached to them but we do not have a database of what is being built, what stage it is at or what number extension it is at. We do not have those hard data to drive this but we have enough of a concern to know this is essential legislation that needs to be passed as soon as possible.

Only one single period of extension can be secured, as it is drafted in the Bill. The original permission and what was in that permission will apply because it is purely a technical extension. The local authority will have the power to judge what is reasonable in terms of the timeline for the second extension and that it is substantially commenced regardless of whether it is an original permission or whether it was commenced in a second permission. If it was substantially commenced in the first original planning permission or in the extension, it can avail of the second extension. The timeline for how much it can avail will be decided by the judgment of the local authority based on its closer knowledge of what is happening.

Deputy Jan O'Sullivan asked if there will be a delay to the original Bill this was housed in. There absolutely will not be because it is important legislation. It is on Report Stage already. It would have concluded had there not been other resource or capacity constraints in the final week of Oireachtas business and because we wanted to table further amendments to that Bill in the Seanad. The national planning framework will be announced in November. The Planning and Development (Amendment) Bill 2016 needs to be enacted before that to put it on a proper basis. We need to move quickly with the new office of the regulator and we have to be cognisant of our responsibilities on foot of the Mahon report.

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There is nothing in law to define a substantial development but there is a significant amount of case law to guide us on it. Generally we talk about something being past the point of no return in so far as development is concerned. Local authorities will have the discretion on the length of time to make sure no one is trying to take unfair advantage of the good faith in which we are acting in the House to make sure developments currently under construction can be completed.

I agree with Deputy Boyd Barrett's points on land hoarding. We are in a crisis in which land hoarding is absolutely unacceptable. We can deal with the amendments as we work through them. There is a big risk in many of the amendments, which I will make clear when we come to them, that unintended consequences would flow from them. We are fearful they would bring other developments - not only those related to housing - to a standstill, which was not the intention. This is essentially a technical amendment. On a wider point, any new house coming online, will help us in dealing with things such as affordable rent, affordable purchase and the homelessness crisis we face. Some of those families have found themselves homeless as a result of the demands in the rental market.

I did not bring other issues into this Bill even though Deputy Boyd Barrett might have liked to do that. I did not want to confuse the specific intentions of the Bill. I also recognise that what I am doing here is an exception. As it would be unfair to Deputies to ask them to consider a larger or omnibus Bill in this way, I have kept it tight. It is to meet the intentions of the House as per a previous Bill that was enacted. Had the original Act been drafted differently, from a technical construction point of view, we could have commenced this extension without the need for this Bill at all. It was always the House's intention to do what is in this Bill but a technical drafting point kept us from doing it.

I will address some of the issues and the fear of land hoarding in the amendments. If Deputy Clare Daly looks at the amendment that has been tabled by her and Deputy Wallace, she will see the provision to lower the threshold to five houses creates the risk of the possibility of land hoarding. There is potentially a contradiction in the Deputy's contribution on Second Stage in terms of what is in the amendment that has been tabled. On the Deputy's points on EIA, there is a technical contradiction in the amendment that has been tabled. If an EIA was not required at the time the original permission was granted, it will not be required now because it is a technical extension. The provisions in Section 28(1) and 28(2) are not related in that way.

Deputy Catherine Murphy talked about rushed legislation and that it is happening too often. The only point I would make is to ask what she would have me do. When it came to my attention that this particular provision would not be passed at this point in time and that it would mean that badly-needed houses would not be completed as a result, I had no choice but to bring it forward in this way. To be clear, it provides for a maximum of five years or to 2021. At the end of 2021, this will fall out of law and it will no longer be the case. There will be no extensions beyond that period. Nothing in this says the local authority must give a five-year extension. It will judge based on the application that is made. I will speak to it and how much time would be required to get the development completed when I speak on one of Deputy Ó Broin's amendments.

Deputy Eamon Ryan asked about the relationship between the two provisions in section 28(1) and 28(2). They were always meant to be treated differently. They are two separate things and there was always meant to be a staggered commencement. Section 28(2) was always meant to be commenced almost immediately and section 28(1) was meant to follow at

a later date. Section 28(1) has very wide-ranging implications and time is needed for all the stakeholders with regard to infrastructural development to adapt to that, whereas section 28(2) is a simple technical extension to meet an original intention of another Bill that already made its way through the House. I will commence section 28(1) at the end of this year because it is a good section and it is necessary. We recognise that but it is a permanent change for those who required an EIA at the time to the effect that they would require another EIA when they sought a first extension. As it does not apply to second extensions, it does not apply to what we are trying to do here. While section 28(1) and 28(2) are warehoused in the same section, they do not impact upon each other in that regard. If one did not require an EIA at the point of the original permission, one will not require one now when one seeks the second extension. That is all we are doing with this. It applies to developments with a minimum of 20 units or houses requiring a second extension which did not require an EIA at the original point of permission. It will not cover the new fast-track planning scheme. People who get permissions under that new scheme, which only came into effect very recently, will be allowed to get a first extension but by the time they need to go for a second extension, this will have fallen out of law. The second extension will not apply to them. We became aware of the need to be in compliance or more in synch with EU law at the end of 2014 and the beginning of 2015. It is no big concern on the EU side; the concern is more on our side that we would be in synch with EU laws. The normal period for implementation would be one year and that is why we are commencing it at the end of this year. I thank Deputies O'Dowd and Mattie McGrath for their support of the Bill.

An Ceann Comhairle: I thank the Minister for dealing so expeditiously with the issues.

Question put and agreed to.

Planning and Development (Amendment) (No. 2) Bill 2017: Committee and Remaining Stages

NEW SECTION

Deputy Eamon Ryan: I move amendment No. 1:

In page 3, between lines 7 and 8, to insert the following:

“1. The changes introduced by section 28(1)(a)(iii) of the Planning and Development (Housing) and Residential Tenancies Act 2016 are hereby commenced.”.

This follows what the Minister said in his reply. I am trying to understand this. If as the Minister said, it was always intended that sections 28(1) and 28(2) would commence at different times, was there a mistake in how the legislation was originally written? Should that have been explicit? What is preventing applying that dual approach in terms of the original commencement?

The Minister said a transitional period is always needed in order to accommodate. Surely a developer who has one of the developments to which section 28(1) applies is now at risk if that developer now proceeds with the development, whether it is seen as a technical extension or otherwise. What is the legal position if there is a subsequent legal challenge and someone says that the commencement should have applied straight away? Surely that subjects that develop-

ment to some risk of not being in compliance with European law.

Minister for Housing, Planning, Community and Local Government (Deputy Eoghan Murphy): Due to the drafting and construction of section 28 with the two separate provisions, it is not possible to specifically commence the second provision without also commencing the first. That is the mistake that is there, I suppose, in legislation. It was always the intention to commence them separately in a staggered way but because of how they were originally drafted in the Bill and then enacted, we could not do that.

By taking section 28(2) out now, we can now commence the second part now on completion of the Bill and signature by the President. We can then commence the first part of section 28 later in the year as was always the original intention. The difficulty here is that we are drawing a connection between the first part and the second part of section 28 when essentially there is not one. The amended section 28(2) will allow us to provide this technical extension where an EIA was not previously needed for a minimum of 20 builds or more. Of course, there are certain conditions regarding when the application can be made and how long it might last.

As the Deputy has said, section 28 is already enacted; it just has not been commenced and we cannot just commence that second part. It was always the intention to do them separately when it was first brought in. However, it could not be done because of the technical construction of section 28. This is very much a technical change.

An Ceann Comhairle: Is Deputy Ryan happy?

Deputy Eamon Ryan: I would like to come back because this is my main concern and I would not mind spending a bit of time on it. I will not press every amendment. I will withdraw some amendments on the basis of that the Minister might have to say. I wish to tease this out.

Earlier the Minister said that we did not want to commence section 28(1) because developers need time to consider and comply with the new EU law requirements. I understand what the Minister is saying in regard to section 28(2) in that as there may be certain developments where there is a risk that housing would not be delivered, he wants to commence that now. I do not understand what those developers need time to do. If they require an EIA, I imagine these are large projects, so it is not a flip decision or an immediate decision. What do they need time to do and consider? The Minister says we want to commence section 28(1) at the end of the year. What will happen between now and the end of the year? What is precluding us from commencing it tonight?

Deputy Eoghan Murphy: It is important to note that section 28(1) makes a permanent change to section 42. When it is commenced, that permanent change takes place. It actually places quite a significant burden on stakeholders in the industry because of what it requires, which is that extension of the duration would no longer apply where an environmental impact assessment or an AA was required in respect of the original planning permission. That is quite a substantial change if we think of large infrastructural projects and what that might mean if they were to require a first extension. Therefore, it is good practice to allow a period of time - in this case roughly one year - to allow them to adapt to meet that new reality because this will be a permanent change in the law. That is why the advice is to commence section 28(1) at the end of the year. That was always the intention when this was first brought through at the end of last year.

Deputy Eamon Ryan: I cannot quite figure it out and this is the cause of my concern. Is

there not a risk that some developer might decide to proceed in this interregnum period? If it is a large development, there is a risk that they would then be subject to legal challenge with someone saying, “Well, you proceeded, but you should have known that you had to be compliant with EU law, which you are not.” Therefore, the courts would rightly determine that the development should not have got an extension and should not be proceeding. That is a risk we are creating by taking this two-stage approach to the commencements.

Deputy Eoghan Murphy: The risk is that the legal challenge might be to us, were we not to give enough time to people in this situation to be aware of the changes that were coming meaning that they would then need new permission in that circumstance.

Amendment put and declared lost.

SECTION 1

Deputy Eoin Ó Broin: I move amendment No. 2:

In page 3, line 16, to delete “shall” and substitute “may”.

A number of times the Minister talked about the technical nature of this second extension. Part of the concern that this and other amendments are trying to address is that ten years is a long time from the original grant of permission and a range of things may have changed. Therefore, I think it is too restrictive to restrict the decision-making power of the local authority purely to the conditions as set out in the Bill. There may be changes in county development plans, changes in Government legislation or changes in the surrounding built environment. Indeed there could be specific issues with the development itself or the behaviour of the developer. The local authority should have the authority to take those into account when determining the extension. Therefore, the small change from “shall” to “may” gives them that flexibility to take into account those broader developmental concerns. On that basis, I propose this amendment.

Deputy Eamon Ryan: I am concerned that we are weakening the power of the local authorities too much. We, in this House, cannot make an assessment of any individual development. As the Minister said, we are working on the aggregate, not on examples of specific data or specific developments. However, there may be certain developments affected by this provision that anyone might assess as not representing a good planning approach. It is important to give local authorities certain flexibility in the application of this provision in order that they may grant. As local authorities, by and large, have an interest in seeing housing development, one would imagine that the vast majority should get planning extensions. However, there may be specific examples where we should give that local authority the power to refuse even if the general provision is to provide extensions.

Deputy Catherine Murphy: I wish to qualify that somewhat. I believe that would need to be specified and limited. I am not opposed to the amendment but I think developers could take liberty in using this instead of, for example, seeking alterations. It would need to pertain to the conditions rather than the actual planning permission itself as otherwise, I believe it would be used as a way of circumventing the type of planning permission. There is a big risk in where this might be taken. It is not as if people are coming in for a change in house type or something like that and it could be used for that purpose. I would be somewhat concerned in this regard. While I would be quite supportive of some flexibility because one wants to be in compliance with the conditions, some of which are so out of date that it would be quite hard to be in compliance with them. However, it would have to be limited to some of the conditions.

Deputy Eoghan Murphy: The purpose of a second extension of duration is to provide certainty to those people who are currently building to make sure they can finish those builds, be they developments of 20, 30, 40, 100 or 200 houses, the completion of some of which, even though they are substantially developed already, will still take a number of years. I cannot accept this amendment because the extension of duration in that regard must be an administrative function to give them that certainty in terms of the planning permission process. However, this amendment has the effect of making it discretionary, which would negate that certainty. That would then have implications for funding and financing for all those developments that would still require two, three or more years to finish. In other words, with this amendment we would be turning the process from an administrative one for the planning authority to a substantive one. We would remove that uncertainty but we would also bring in other difficulties in terms of undermining the planning process if we were to say that wider policy considerations that did not exist at the time for whatever reason - the development plan might have changed - could be brought in all of a sudden on a simple extension of duration, which could completely undermine the development that is already almost substantially complete. That is the difficulty I have with this amendment. We should recognise the significant power a local authority will have in the granting of the timeline for that extension, if, for example, it can decide because of its closer knowledge, of the developer, or the state of completion of the development or the infrastructure going into that site, how much time is required to finish the development quickly. That is the reason I cannot accept this amendment.

Deputy Eoin Ó Broin: I may not understand the legislation fully, but from the argument the Minister just made, it makes eminent sense that if a development is under construction today that we would allow for a technical extension rather than a substantive reconsideration of the original plan. I get that point. However, if I understand the Bill correctly, for example, a major development could have been planned in two phases with one phase having been completed and no active construction now on site. A first extension may have been granted and nothing happened during those five years. Under the terms of the Bill, there was a commencement and substantial works were carried out but there is no actual construction. There could be valid reasons that do not conflict with anything the Minister has said. A planning authority might decide that a technical extension in this case is not valid, a substantive reconsideration is merited and on that basis, a second extension would not be granted. Local authority officials would be intelligent enough to understand the difference between the situation the Minister outlined, where a technical extension is appropriate, and the situation I am outlining, which is a real one in my constituency, where a more substantive reconsideration should be within the power of the local authority to consider. Therefore, I believe this amendment has merit.

An Ceann Comhairle: Does Deputy Eamon Ryan wish to comment?

Deputy Eamon Ryan: No.

Deputy Eoghan Murphy: My advice is that this would create too much uncertainty in what was meant to be a technical extension process to allow developments that have already been substantially built to be completed, and to get that second extension as per the original planning permission, however that might have been phased. It is to have that certainty element. We are not just talking about getting 20 more houses built, as Deputy Ó Broin explained. We are talking about projects that still need to secure that additional bit of financing and to not have this certainty in place could also undermine that.

An Ceann Comhairle: How stands the amendment?

Deputy Eoin Ó Broin: It is being pressed.

Amendment put and declared lost.

An Ceann Comhairle: Amendments Nos. 3 to 9, inclusive, are related, amendments Nos. 4 to 9, inclusive, are physical alternatives to amendment No. 3, and amendments Nos. 7 and 8 are physical alternatives to amendment No. 6. Amendments Nos. 3 to 9, inclusive, may be discussed together.

Deputy Clare Daly: In light of the Minister's earlier points of clarification and some of his responses to Deputy Eamon Ryan, we will withdraw amendment No. 3 in preference of some of the other amendments.

Amendment No. 3 not moved.

Deputy Eamon Ryan: Given the Minister's earlier response, it has given me confidence that these developments are not included. Therefore, I will happily withdraw amendment No. 4.

Amendment No. 4 not moved.

Deputy Eoin Ó Broin: I move amendment No. 5:

In page 3, line 22, after "authority" to insert the following:

"setting out the reasons why the development cannot be reasonably completed within the appropriate period".

I will speak to amendments Nos. 5 and 6 if that in order. While it is not in this grouping, my intention was that amendment No. 17 would be connected to those two amendments. I will speak to it now to save time, if that is allowed.

An Ceann Comhairle: Good.

Deputy Eoin Ó Broin: Briefly, the intention of amendment No. 5 is to place an additional responsibility on the applicant to set out the reasons the development cannot be reasonably completed within the current timeframe. We need to find ways of strengthening the Bill as it stands to force developers to justify the reason they need the extension. That is the basis upon which the amendment is proposed.

Amendments Nos. 6 and 17 are connected but they are probably not well enough drafted for that to be clear to whoever was doing the grouping. Essentially, this goes back to the argument I made on Second Stage, which is as follows. My fear with the five-year timeframe is that it will become the default decision, rather than a local authority having the discretion to say the extension will be for six months, 12 months or two years. The idea was to make the default position one year unless, as amendment No. 17 outlines, there are significant reasons the planning authority believes a longer extension is required. I intend to press amendment No. 5. but will not press amendments Nos. 6 or No. 17. I have a real concern that, under the pressure of time, local authorities will start granting five-year extensions as opposed to what the Minister outlined, namely, the possibility of shorter ones.

Deputy Eoghan Murphy: The Deputy spoke to amendment No. 5. It provides for home builders in the application for an extension of duration to set out reasons the development can-

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not be completed as envisaged. I will accept that amendment if the Deputy believes it will add value to the process because it is a good amendment.

I will speak to amendments Nos. 6 to 8, inclusive, together. This is the idea of the default position being one year. That might open up the risk of them needing a third extension, which we are not providing for in this legislation, if the default position is only one year. The other risk is that if the lapsing of the first extension were to happen after the date that has been proposed by the Deputy in his amendment, they would not be caught by this. However, in terms of the simplicity we are trying to bring to this to make sure that people who are currently building can finish the development secure in the knowledge that they will have the permission and the funding to do so, this will create a further doubt because it is only one year in terms of finding that certainty for them. We believe there are risks in accepting those amendments to the Bill.

An Ceann Comhairle: The position is that amendment No. 5 is accepted.

Amendment agreed to.

Amendment No. 6 not moved.

Deputy Eamon Ryan: I move amendment No. 7:

In page 3, line 24, to delete “5 years” and substitute “2 years”.

I can press it but I hear what the Minister said. He does not want to give a third extension and he can understand how a one-year timeframe might be too tight if a development comprises more than 20 houses. However, given these are all developments on which substantive progress has already been made, to avoid the concern about hoarding with people holding back, I would argue for setting a two or three-year period, which would be a signal towards completion and getting housing in the next two or three years rather than in five years' time. I am interested to hear from the Minister why that does not make sense.

Deputy Eoghan Murphy: I would not have combined some of the amendments as they have been combined. If we consider a separate amendment that has been tabled, I believe, by Deputy Ryan, it appears to open up a possibility of a third extension, which we do not want to allow for in this Bill. We want people to go to their local authorities to seek a second extension, the local authority to make a judgment call on the time needed, and for that work to be completed as quickly as possible. I think the Deputy's amendment would have been combined with the other amendment about a possible third extension. If we were to do that, it would potentially open up an ability for some builders to try to game the system to go for the first two years and then go for a third extension but that is not the intention of the Bill. To be clear, I do not believe that was the intention in the way the Deputy drafted the amendment. Some of these developments, from what we understand, are of a significant nature such that it would require more than two years to complete them, as they involve a significant number of units. While they are already substantially under way in terms of being past the point of no return, they may not be able to be completed within two years and so a five-year extension was the maximum or 2021 and at that point it would fall out of law, so one could not build beyond that time, or seek a further extension. We are very much giving the power to the local authority, given their closer knowledge of these developments, to decide what is the adequate timeframe for the extension.

An Ceann Comhairle: The Minister is not accepting amendment No. 7. Deputy Ryan, how stands the amendment?

Deputy Eamon Ryan: I will withdraw the amendment.

Amendment, by leave, withdrawn.

Deputy Catherine Murphy: I move amendment No. 8:

In page 3, line 24, to delete “5 years, or until 31 December 2021” and substitute “2 years, or until 31 December 2019”.

This amendment is similar to the previous one. These planning permissions were given in 2007 or prior to that.

That is ten years. There are people living in housing estates that commenced in 2007. For understandable reasons, the builder was not able to proceed as there was not a market and all of that. Very understandably, legislation was brought in to extend the duration. It was supposed to be a temporary arrangement with a sunset clause. It was understandable because of the economic situation at the time. Those same people are still living in that housing estate, however. It is still not complete. If it goes to 2021, they will have lived on a building site for 15 years. Is that fair?

We are trying to be fair to the construction industry side but we also have to be fair to people who are living in housing estates that are essentially building sites. It may well be a small number of estates but it is an unfair burden to put on those people. I can point the Minister to one of these estates if needs be. I am not talking in academic terms. Some of them only had street lighting installed in the last six months although the houses were started in 2007. There are some very bad examples.

If the Minister wants to save a developer from having to make another planning application with all the uncertainty it involves, the best thing is to put a limit on the time. The limit is reasonable at two years if we want houses built quickly. This is a benefit that is being given to a particular cohort but it is also of benefit that the houses will be delivered quickly and the foot will not be taken off the pedal. It is absolutely reasonable if there is going to be an extension of duration, which is a pretty big breach of planning law. Planning is supposed to be about orderly development, certainty and all of that. The certainty is not only for the developer. It is also for people who are living in these estates or going to buy in them. There has to be fairness on the other side. I know the Minister is going to disagree with this for exactly the same reasons as those he has given to Deputy Eamon Ryan. In this case, I feel very strongly that certainty has to be given to people who are living in those estates as well.

Deputy Eoghan Murphy: The Deputy is absolutely right that the two things are not disconnected in terms of allowing and facilitating developers to construct their buildings and having homes for people to move into and to live in. When we address this measure, we are not just doing so for one part of this equation but for everyone involved, so houses can be built and finished and people can move in and live in them. It will relieve the kind of pressure that Deputy Boyd Barrett talked about in other parts of the market, which other people are experiencing.

Taking the Deputy’s example of the estate that is not yet finished, one could equally be in a position whereby a developer now sees the opportunity for a second extension to finish out the development. He goes for financing to do that and the financier asks how long he has to do it. He says two years but the financier thinks it will take three and permission is not granted. In that scenario, the estate never gets finished. We are trying to put the five-year extension in place

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but will give the discretion to the local authority, which will be better able than the Deputy or I to judge how much time would actually be required, and will move forward on that basis.

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

Deputy Catherine Murphy: I am pressing it.

Amendment put:

<i>The Dáil divided: Tá, 26; Níl, 76; Staon, 0.</i>		
<i>Tá</i>	<i>Níl</i>	<i>Staon</i>
<i>Boyd Barrett, Richard.</i>	<i>Aylward, Bobby.</i>	
<i>Broughan, Thomas P.</i>	<i>Bailey, Maria.</i>	
<i>Buckley, Pat.</i>	<i>Brassil, John.</i>	
<i>Crowe, Seán.</i>	<i>Breathnach, Declan.</i>	
<i>Cullinane, David.</i>	<i>Brophy, Colm.</i>	
<i>Doherty, Pearse.</i>	<i>Browne, James.</i>	
<i>Ellis, Dessie.</i>	<i>Bruton, Richard.</i>	
<i>Funchion, Kathleen.</i>	<i>Butler, Mary.</i>	
<i>Healy, Seamus.</i>	<i>Byrne, Catherine.</i>	
<i>Kenny, Gino.</i>	<i>Byrne, Thomas.</i>	
<i>Kenny, Martin.</i>	<i>Cahill, Jackie.</i>	
<i>Martin, Catherine.</i>	<i>Calleary, Dara.</i>	
<i>Mitchell, Denise.</i>	<i>Canney, Seán.</i>	
<i>Munster, Imelda.</i>	<i>Cannon, Ciarán.</i>	
<i>Murphy, Catherine.</i>	<i>Carey, Joe.</i>	
<i>Nolan, Carol.</i>	<i>Casey, Pat.</i>	
<i>Ó Broin, Eoin.</i>	<i>Cassells, Shane.</i>	
<i>Ó Caoláin, Caoimhghín.</i>	<i>Chambers, Jack.</i>	
<i>Ó Laoghaire, Donnchadh.</i>	<i>Chambers, Lisa.</i>	
<i>Ó Snodaigh, Aengus.</i>	<i>Collins, Michael.</i>	
<i>O'Sullivan, Jan.</i>	<i>Cowen, Barry.</i>	
<i>Quinlivan, Maurice.</i>	<i>D'Arcy, Michael.</i>	
<i>Ryan, Eamon.</i>	<i>Daly, Jim.</i>	
<i>Smith, Bríd.</i>	<i>Deasy, John.</i>	
<i>Stanley, Brian.</i>	<i>Deering, Pat.</i>	
<i>Tóibín, Peadar.</i>	<i>Doherty, Regina.</i>	
	<i>Donnelly, Stephen S.</i>	
	<i>Doyle, Andrew.</i>	
	<i>Durkan, Bernard J.</i>	
	<i>English, Damien.</i>	
	<i>Farrell, Alan.</i>	
	<i>Fitzmaurice, Michael.</i>	
	<i>Fitzpatrick, Peter.</i>	
	<i>Flanagan, Charles.</i>	

Dáil Éireann

	<i>Griffin, Brendan.</i>	
	<i>Harris, Simon.</i>	
	<i>Harty, Michael.</i>	
	<i>Heydon, Martin.</i>	
	<i>Kehoe, Paul.</i>	
	<i>McEntee, Helen.</i>	
	<i>McGrath, Finian.</i>	
	<i>McGrath, Mattie.</i>	
	<i>McGrath, Michael.</i>	
	<i>McHugh, Joe.</i>	
	<i>McLoughlin, Tony.</i>	
	<i>Madigan, Josepha.</i>	
	<i>Moran, Kevin Boxer.</i>	
	<i>Moynihan, Aindrias.</i>	
	<i>Murphy O'Mahony, Margaret.</i>	
	<i>Murphy, Dara.</i>	
	<i>Murphy, Eoghan.</i>	
	<i>Murphy, Eugene.</i>	
	<i>Naughten, Denis.</i>	
	<i>Naughton, Hildegarde.</i>	
	<i>Neville, Tom.</i>	
	<i>Noonan, Michael.</i>	
	<i>Ó Cuív, Éamon.</i>	
	<i>O'Brien, Darragh.</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>Smith, Brendan.</i>	
	<i>Smyth, Niamh.</i>	
	<i>Stanton, David.</i>	
	<i>Troy, Robert.</i>	
	<i>Zappone, Katherine.</i>	

Tellers: Tá, Deputies Catherine Murphy and Eamon Ryan; Níl, Deputies Joe McHugh and Tony McLoughlin.

Amendment declared lost.

Amendment No. 9 not moved.

Acting Chairman (Deputy Bernard J. Durkan): Amendments Nos. 10, 16 and 19 will be discussed together.

Deputy Eamon Ryan: I move amendment No. 10:

In page 3, between lines 30 and 31, to insert the following:

“(III) has determined that no environmental impact assessment and/or appropriate assessment are required at the time of the application for an extension of the appropriate period, following a screening determination made by the planning authority and in light of the changed environmental circumstances, conditions and cumulative impacts pertaining at the period now in question for the completion of the development.”.

This is a very practical amendment to provide a screening mechanism to ascertain whether any development to which we are giving an extension requires an appropriate environmental impact assessment, given the changing circumstances of EIA legislation. The 2014 EIA directive, which we should have enforced by this stage, has extensive EIA considerations to take into account climate change effects, flood prevention or other disaster issues. Under the Aarhus Convention, there is a requirement on the part of public authorities which extend planning permission, as provided for in this Bill, to take account of the need for EIA assessments. This amendment gives legal certainty and allows us to be compliant within European law. It also provides a suitable screening mechanism which is not otherwise provided for in the legislation.

Deputy Eoin Ó Broin: I will speak to amendments Nos. 10 and 16. The argument is similar to the one made on earlier amendments to the effect that ten years is a long time. There may have been significant changes in the period following the original decision as to whether an EIA was required. It is not to say that an EIA or AA will be required in all circumstances but it will give the local planning authority the discretion to make the call. I endorse Deputy Ryan’s comments and speak in favour of amendment No. 16.

Deputy Catherine Murphy: A whole series of additional works have to be done in advance of local area plans commencing now, as opposed to planning permissions granted in 2007 or before. Some of them make sure we do not repeat the mistakes of the past by building on land which is prone to flooding and other things, causing problems into the future which have to be remedied at great expense. This amendment gives the flexibility to look at such issues. There is very little flexibility as to the extension of duration currently. If it is largely complete it is, to some extent, a box-ticking exercise and some fairly significant issues are not being scrutinised as they would now under the changes in planning law.

Deputy Eoghan Murphy: This is a very specific amendment in and of itself. It fulfils the intention of the House in an Act that was previously passed but could not be commenced because of a technical drafting error. The risk in accepting these amendments is to open it up wider than was the original intention of the section when it was enacted and it risks turning an extension of a duration process into a whole new consent process and that is not what this is about. It is not about introducing another consent process but this amendment intends to do that. It is very difficult to bring in a new screening process, or even a new EIA, for a development that is already substantially under way and it could have a significant impact on and risk for the completion of the development. If we were to allow it there are potential knock-on effects for other types of development if we required a new EIA when they were substantially complete.

We are opposing amendments Nos. 10, 16 and 19 as they effectively create a second consent process which is not the intention of this Bill. They bring in a further layer of uncertainty, a financial risk, a completion risk which we do not want, and unforeseen consequences beyond the scope of what this Bill intended to address.

Deputy Eamon Ryan: This is last-minute technical legislation, which is difficult, and we are amending various Acts. There is also European law. Would accepting this amendment not give us some protections against the concerns I have set out over not commencing section 28(1) for developments had been required to undergo an EIA? Does it not also give certain cover? The Bill grants an extension which is akin to major changes to planning law. Is there not a risk from changes in European legislation to situations where a development is given an extension but should have had a new EIA? Article 6.10 of the Aarhus Convention states:

Each Party shall ensure that, when a public authority reconsiders or updates the operating conditions for an activity referred to in paragraph 1, the provisions of paragraphs 2 to 9 of this article are applied *mutatis mutandis*, and where appropriate.

I suggested the amendment to bring about some protection legally.

Deputy Eoghan Murphy: We have to divorce the first and second parts of section 28, which is difficult given its construction. In the second part, we are talking about original permissions that did not require an EIA at the time. This is a technical extension to that permission. The intention of this Bill is not to open up a second consent process, which is what the amendment could do, and if we were to accept it there could be a knock-on effect on developments which are almost complete but need to be seriously altered, affecting its completion and financing. It would also be a risk for other developments that might be seeking an extension. Sections 28(1) and 28(2) are separate provisions and are not related. Section 28(2) ensures that almost-complete developments of 20 units or more can be completed where the original permission did not require an EIA.

Deputy Eoin Ó Broin: One of the big disagreements between us is that the Minister wants to restrict this to something technical while we are looking to introduce some level of substantive discretion for the local authority. Is there not a requirement in the EIA directives of 2011 and 2014 annex II.13 for precisely such a screening process in these types of cases?

8 o'clock

Deputy Jan O'Sullivan: Deputy Ryan's point about the Aarhus Convention is well made, and it would be important to check the legal elements of all of this. This also brings me back to

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the point I made when I spoke earlier about what “substantial” means. The Minister is describing something that is nearly complete, but I think the description of something as “substantial” is open to interpretation. My concerns are that what a local authority might consider to be substantial might not be the same as what Deputy Murphy, as the Minister, might consider to be substantial, that the understanding of what is substantial might vary from local authority to local authority and that there might be situations in which there was no requirement for an EIA at the start but very little work has been done. The definition of “substantial” comes back into consideration under this amendment.

Deputy Eoghan Murphy: To answer Deputy Ó Broin’s point about the article he cited and the potential impact in that regard, no, that is not the case. We do not believe there is a legal risk regarding the points Deputy Ryan made about the Aarhus Convention. In some ways this is related to amendment No. 12, which we will discuss in a moment. There is the idea that one could potentially open up a situation whereby people who had original permission that did not require an EIA might find themselves going for a simple extension to allow them to finish the build but could find their ability to complete that build undermined by the fact that they may now have to take into account changes that could have happened, for example, in terms of the strategic direction of a development plan in that area. A building could be almost substantially complete, be it an apartment block or anything else, but might no longer be in keeping with a policy change that might have happened since. This would then undermine the person’s rights in respect of the permission that was originally granted in terms of the particular purpose of the build being undertaken by that developer at the time.

What we want to facilitate here is the completion of housing developments on which substantial progress has been made and which are almost complete. While there is no statutory definition of this, there is significant relevant case law. What we talk about here are developments that are past the point of no return. When we consider it in that context and what the local authorities will be judging, this screening further undermines that and therefore takes away the certainty we want to have in bringing forward this legislation. The Bill is very specific, as I said. It is technical. It was already the intention of the House to provide for this but, due to a drafting error, it has not been possible to commence it. It is about following through on that simple extension so that these developments can be completed.

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

Deputy Eamon Ryan: We will press it.

Amendment put and declared lost.

Acting Chairman (Deputy Bernard J. Durkan): Amendments Nos. 11, 12 and 15 are related and may be discussed together.

Deputy Eoin Ó Broin: I move amendment No. 11:

In page 4, line 5, after “and” to insert “is under active construction but cannot reasonably be completed, and”.

All three amendments are in my name so I will speak to them together. Regarding amendments Nos. 12 and 15, I will not repeat the arguments. It is the same set of arguments we have discussed substantively on the other amendments. Regarding amendment No. 12, there is a phrase that has slipped into our conversation from the start, namely, “substantial completion”,

and nowhere in the legislation is there reference to substantial completion. There is reference to substantial works being carried out. This is an important point and I want us to be clear about it.

One of my big concerns about the drafting of the Bill is the two core criteria, namely, the requirement for the development to have commenced and for substantial works to have been carried out. Again, the difficulty is that if there is a single development of 20 units, for example, and the foundations are laid and half built, that is pretty straightforward. However, if there is a much larger development with phases, if one phase has been completed but the other has not and if the developer is deliberately not moving forward on that throughout the first extension of planning permission, that is very different. One of the reasons I have proposed amendment No. 11 is that I think to be eligible for this extension, construction activity has to be taking place in addition to those other two criteria, and that would be a stronger criteria.

Again, this Bill has been presented from the very start as involving a developer actively constructing on site and wanting to finish within the existing extension and permission but not being able to do so because of the time, and the Minister is giving them sufficient time to finish the work. However, the conversation has now changed to focus on a development where, for example, nothing might have happened for five years. They could have had the commitments and substantial works in the original five years when they got their first extension but nothing is taking place, and we are now talking about giving them an extension. Perhaps it is to allow them to access finance or other things, but that is a much bigger issue. This goes back to the information I requested from the Minister's office at an earlier stage because we are discussing hypotheticals. We do not know, certainly on this side of the House, of the 50 to 100 developments, how many are actively being constructed now and urgently need this and how many are more hypothetical or speculative developments that may need more time to access finance. We are not sure whether they will get it or not, etc., and that is why active construction on site at the time the developer applies for the second extension is crucial.

The Minister talks about the case law in terms of developments having passed the point of no return. I would be interested to hear him tell us a little more about this. We know, for example, that there were ghost estates which one would have thought had passed the point of no return but then not the Minister's Government but an earlier Government took the decision that some of those would have to come down rather than be finished, even though they would have been commenced and, under the terms of this Bill, substantial work would have been carried out on them.

Deputy Catherine Murphy: Amendment No. 11 is very important. I am aware of a few examples of developments in respect of which nothing has happened in the past five years even though there was an extension of duration. As for the idea that another five years would be given in such an instance, again, I make the point that where some work has taken place on such a development, it means that not only are the people living on it living on a building site, but questions would also be raised if they even tried to sell. There is a huge degree of unfairness if that is the case.

If there is a development that is 50% completed and it is motoring on and is going to deliver houses, none of us wants to stop that. However, neither do we want the unintended consequence of something being extended to developers who really have not engaged in building, even though they have got the benefit of extensions and now would get another benefit of an extension, despite the fact that they did not do anything within that first extension. To be given an extension is a big deal because it is a very costly exercise to come in and make a fresh plan-

ning application, and all of that would have been of benefit to them. I can understand why this has happened, but amendment No. 11 is very reasonable and I think it would give some degree of safety. I would reiterate the point about the definition of “substantial” as well.

Deputy Eoghan Murphy: While I absolutely understand the point Deputy Ó Broin makes as to why he has tabled amendment No. 11, the difficulty with it is that in the action plan launched last summer, a commitment was given to people for whom permission would expire between the intention as stated in the action plan and the actual enactment of the legislation and the commencement of the order. They would be captured by that. Therefore, certain developers had to down tools because the law was not yet in place and the order was not commenced. This Bill is to allow us to meet the commitment that was made when the action plan was published last year, so there is retrospection but only to the point of the publication of the plan last year because that commitment was given that they would be covered in this. This is why I cannot accept amendment No. 11. It would go back on that commitment given at the time the action plan was published.

Regarding the other point Deputy Ó Broin made about housing estates and ghost estates that were not completed but might have been deconstructed, I cannot speak to the individual estates as to why this may have happened. It could be for a number of reasons. The permission might have lapsed and no initial extension sought. What we are talking about here are developments in respect of which - the Deputy is right - substantial works have been carried out and the developers need this additional time to finish those works.

To speak to Deputy Murphy’s point, the local authority is best placed to know exactly how much time is needed in such cases. It should be noted as well that the planning (amendment) Bill 2016 will be completed in September or October, as per our priorities in the Department. There are new provisions being introduced there to give greater flexibility to local authorities not to have to grant, as per the current position in an initial planning application, an automatic five years and to give them more powers to make judgment calls for periods of less than five years for the initial decision, whatever about extensions. We should give local authorities greater discretion and more power, because they are closer to what is actually happening in those areas.

Deputy Eoin Ó Broin: When the Minister speaks about a commitment that was given at the launch of Rebuilding Ireland, is he talking about a retrospective application of an extension to a permission that has actually already expired and where building work had stopped? That is what I took from what the Minister said, which is not what this Bill, as far as we have been discussing it up until now, is proposing to do. My understanding is that this concerns a situation where the expiry date is approaching and an extension is needed.

Apologies, I confused my numbers earlier. The purpose of amendment No. 15 is to give an additional criteria to the local authority. This goes back to the concern I had on Second Stage where a disingenuous or dishonest developer might seek an extension not because he or she actually need more time, but because he or she wants to accrue the house price inflation a couple of years down the line. The purpose of this amendment is to allow for a situation where a local authority is satisfied that granting an extension would not result in delaying a development.

Deputy Eoghan Murphy: To be clear about amendment No. 11, permissions which would have lapsed after July 2016, when the plan was published, can be reactivated under the provisions of this Bill, but they must apply within six months of the commencement, which is when

the President signs the Bill.

We have addressed the substance of amendment No. 15 when speaking about other amendments. The purpose of this Bill is to allow an extension where there has been a delay. The drafting of the amendment that the Deputy has suggested reads, “is satisfied that the extension will not result in the delay of the completion of the development”. By its nature it will be delayed until it is completed, so there was a question on our side as to the actual technical drafting of it and if it might add confusion. If this amendment was accepted I do not believe that it would undermine the Bill, but I do not believe that it would make sense in the Bill either.

Deputy Pat Casey: On the second period, the Bill as it stands states “up to December 2021”. Is it not within the power of each local authority to grant an extension period of one, two, three, four or five years? They do not have to grant the entirety of the five years. If they feel a housing estate is almost completed and does not warrant a five-year extension, surely they have the ability to grant the extension for one or two years, or whatever they deem appropriate.

Deputy Eoghan Murphy: Absolutely. In 2021, the ability to have a second extension falls out of law completely. The onus is on the local authorities and the discretion is with them as to the length of extension they grant. That is how it should work, because they are closer to the development and they will have better knowledge as to what is needed.

Amendment put:

<i>The Dáil divided: Tá, 23; Níl, 75; Staon, 0.</i>		
<i>Tá</i>	<i>Níl</i>	<i>Staon</i>
<i>Boyd Barrett, Richard.</i>	<i>Aylward, Bobby.</i>	
<i>Broughan, Thomas P.</i>	<i>Bailey, Maria.</i>	
<i>Buckley, Pat.</i>	<i>Brassil, John.</i>	
<i>Crowe, Seán.</i>	<i>Breathnach, Declan.</i>	
<i>Cullinane, David.</i>	<i>Brophy, Colm.</i>	
<i>Doherty, Pearse.</i>	<i>Browne, James.</i>	
<i>Ellis, Dessie.</i>	<i>Bruton, Richard.</i>	
<i>Funchion, Kathleen.</i>	<i>Butler, Mary.</i>	
<i>Healy, Seamus.</i>	<i>Byrne, Catherine.</i>	
<i>Kenny, Martin.</i>	<i>Cahill, Jackie.</i>	
<i>Mitchell, Denise.</i>	<i>Calleary, Dara.</i>	
<i>Munster, Imelda.</i>	<i>Cannon, Ciarán.</i>	
<i>Murphy, Catherine.</i>	<i>Carey, Joe.</i>	
<i>Nolan, Carol.</i>	<i>Casey, Pat.</i>	
<i>Ó Broin, Eoin.</i>	<i>Cassells, Shane.</i>	
<i>Ó Caoláin, Caoimhghín.</i>	<i>Chambers, Jack.</i>	
<i>Ó Laoghaire, Donnchadh.</i>	<i>Chambers, Lisa.</i>	
<i>Ó Snodaigh, Aengus.</i>	<i>Collins, Michael.</i>	
<i>O’Sullivan, Jan.</i>	<i>Cowen, Barry.</i>	
<i>Quinlivan, Maurice.</i>	<i>D’Arcy, Michael.</i>	
<i>Smith, Bríd.</i>	<i>Daly, Jim.</i>	
<i>Stanley, Brian.</i>	<i>Deasy, John.</i>	

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<i>Tóibín, Peadar.</i>	<i>Deering, Pat.</i>	
	<i>Doherty, Regina.</i>	
	<i>Donnelly, Stephen S.</i>	
	<i>Doyle, Andrew.</i>	
	<i>Durkan, Bernard J.</i>	
	<i>English, Damien.</i>	
	<i>Farrell, Alan.</i>	
	<i>Fitzmaurice, Michael.</i>	
	<i>Fitzpatrick, Peter.</i>	
	<i>Flanagan, Charles.</i>	
	<i>Fleming, Sean.</i>	
	<i>Griffin, Brendan.</i>	
	<i>Harris, Simon.</i>	
	<i>Harty, Michael.</i>	
	<i>Heydon, Martin.</i>	
	<i>Kehoe, Paul.</i>	
	<i>McEntee, Helen.</i>	
	<i>McGrath, Finian.</i>	
	<i>McGrath, Mattie.</i>	
	<i>McGrath, Michael.</i>	
	<i>McHugh, Joe.</i>	
	<i>McLoughlin, Tony.</i>	
	<i>Madigan, Josepha.</i>	
	<i>Mitchell O'Connor, Mary.</i>	
	<i>Moran, Kevin Boxer.</i>	
	<i>Moynihan, Aindrias.</i>	
	<i>Murphy O'Mahony, Margaret.</i>	
	<i>Murphy, Dara.</i>	
	<i>Murphy, Eoghan.</i>	
	<i>Murphy, Eugene.</i>	
	<i>Naughten, Denis.</i>	
	<i>Naughton, Hildegarde.</i>	
	<i>Neville, Tom.</i>	
	<i>Noonan, Michael.</i>	
	<i>Ó Cuív, Éamon.</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>Smith, Brendan.</i>	
	<i>Smyth, Niamh.</i>	
	<i>Stanton, David.</i>	
	<i>Troy, Robert.</i>	
	<i>Zappone, Katherine.</i>	

Tellers: Tá, Deputies Eoin Ó Broin and Catherine Murphy; Níl, Deputies Joe McHugh and Tony McLoughlin.

Amendment declared lost.

Deputy Eoin Ó Broin: I move amendment No. 12:

In page 4, between lines 5 and 6, to insert the following:

“(V) is satisfied that—

(A) the planning authority has been provided with established evidence by the applicant that the development can and will be completed within a reasonable time,

(B) the development would not be inconsistent with the proper planning and sustainable development of the area having regard to any guidelines issued by the Minister under section 28 notwithstanding that they were so issued after the date of permission in relation to which an application is made under this section,

(C) there have been no significant changes in the development objectives in the development plan or in regional development objectives in the regional spatial and economic strategy for the area of the planning authority since the date of the permission such that the development would no longer be consistent with the proper planning and sustainable development of the area, and

(D) there are no other conflicting issues arising in terms of flood risk or climate change considerations, not limited to but including considerations in the national climate mitigation and climate adaptation plans in accordance with section 15 of the Climate Action and Low Carbon Development Act 2015, which would mean that the development would no longer be consistent with the proper planning and sustainable development of the area,

and”.

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Amendment put and declared lost.

Amendments Nos. 13 and 14 not moved.

Deputy Eoin Ó Broin: I move amendment No. 15:

In page 4, between lines 19 and 20, to insert the following:

“(VI) is satisfied that the extension will not result in delaying the completion of the development.’.”.

Amendment put and declared lost.

Deputy Eoin Ó Broin: I move amendment No. 16:

In page 4, between lines 19 and 20, to insert the following:

“(1B) The Planning and Development Act 2000 is amended in paragraph (aa) of section 42(1), inserted by section 28(1)(a)(iii) of the Planning and Development (Housing) and Residential Tenancies Act 2016, by the insertion of the following after “granted,”:

‘and where the planning authority has determined that no environmental impact assessment and/or appropriate assessment are required at the time of the application for an extension of the appropriate period, following a screening determination made by the planning authority and in light of the changed environmental circumstances, conditions and cumulative impacts pertaining at the period now in question for the completion of the development,’.”.

Amendment put and declared lost.

Amendment No. 17 not moved.

Section 1, as amended, agreed to.

Amendments Nos. 18 and 19 not moved.

Section 2 agreed to.

Title agreed to.

Bill reported with amendment, received for final consideration and passed.

Asian Infrastructure Investment Bank Bill 2017: Report and Final Stages

Minister of State at the Department of Finance (Deputy Michael D’Arcy): I move:

“That Report Stage be taken now.”

Question put and agreed to.

Asian Infrastructure Investment Bank Bill 2017: Report and Final Stages

Bill received for final consideration and passed.

National Shared Services Office Bill 2016: Order for Report Stage

Minister of State at the Department of Finance (Deputy Michael D’Arcy): I move:

“That Report Stage be taken now.”

Question put and agreed to.

National Shared Services Office Bill 2016: Report and Final Stages

Deputy David Cullinane: I move amendment No. 1:

In page 8, between lines 2 and 3, to insert the following:

“(5) For the avoidance of doubt the Office shall be subject to the Freedom of Information Act 2014 as a public body.”.

The Minister of State is aware that we had some discussion about this amendment on Committee Stage. We were of a mind to resubmit this on Report Stage, which we did. The purpose of the amendment is to ensure there is no ambiguity at all in respect of the national shared services office, and that they be subject to the Freedom of Information Act. Those of us who had to deal with NAMA and other bodies over a long period, trying to get information from them under freedom of information, FOI, requests, will know that we must be absolutely certain that there is not too much, or considerable, leeway given to the Accounting Officers or those within those organisations regarding freedom of information. We want absolute clarity and absolute certainty and, notwithstanding what the Minister of State said to us on Committee Stage, for the avoidance of doubt the national shared services office shall be subject to the Freedom of Information Act as a public body.

Minister of State at the Department of Finance (Deputy Patrick O’Donovan): Deputy Cullinane is right to seek to ensure that the office is subject to the Freedom of Information Act. However, it already is. Section 6(1) of the Freedom of Information Act sets out the public bodies that are subject to the Act. Section 6(1)(b) states that an entity established by or under any enactment, other the Companies Acts, will be subject to the freedom of information, FOI, regime. The national shared services office is therefore automatically subjected to FOI legislation under the 2014 Act. I understand and appreciate where the Deputy is coming from, but it is a duplication of an existing provision as the Act already extends to the office.

Deputy David Cullinane: The Minister of State’s response was similar to that on Committee Stage but I still want to press the amendment.

Amendment put and declared lost.

Acting Chairman (Deputy Bernard J. Durkan): Amendment No. 2, in the name of Deputy Cullinane, arises out of committee proceedings.

Deputy David Cullinane: I move amendment No. 2:

In page 11, between lines 24 and 25, to insert the following:

“(4) The Office shall, at the request in writing from the Committee of Public Accounts, make available to the Committee of Public Accounts information regarding any costs or fees incurred as a result of the engagement of consultants and advisors.”.

The Minister of State will be aware that I am a member of the Committee of Public Accounts. Far too often we have seen that many public bodies spend far too much money on consultancy fees and consultancy companies. Much of it is outside the purview of even the Committee of Public Accounts and not subject to public scrutiny, especially that of the Dáil. Sometimes we have to really go looking for the information before we actually get it.

I made the point on Committee Stage that Departments have a wealth of experience and talented people, so we are told, and I agree that they have people who are competent and can do various jobs. However, often we farm out and contract out a lot of work that can be done in-house, and it can be very costly. This amendment would insert on page 11 of the Bill, between lines 24 and 25, “The Office shall, at the request in writing from the Committee of Public Accounts, make available to the Committee of Public Accounts information regarding any costs or fees incurred as a result of the engagement of consultants and advisors”.

The Minister of State will also be aware that the Committee of Public Accounts published a report on the third level sector in recent days. The use of consultants and consultancy firms was one of the issues raised. This comes up time and again. We are trying to ensure that we have as much democratic oversight of spend of money on consultancy firms. We have seen far too many scandals in the past. As the Minister of State knows, Irish Water is but one example. We want to ensure that the mistakes of the past are not repeated. That is the purpose of the amendment.

Deputy Patrick O’Donovan: I accept the intent of what Deputy Cullinane is proposing. We had a bit of a discussion on it on Committee Stage. One of the core functions of the Committee of Public Accounts, as set out under Standing Order 186, is to scrutinise the spending of taxpayers’ money through examination and reporting to the Dáil on appropriation accounts. The duties of an Accounting Officer are set out in section 19 of the Comptroller and Auditor General (Amendment) Act 1993 and include giving evidence to the Committee of Public Accounts on the regularity of all transactions recorded in the appropriation accounts. This includes, among other things, those matters concerning consultancy and advisory spend which the Deputy has included. Again, I do not agree with the sentiment he has expressed. Section 16(1) of the National Shared Services Office Bill states that the chief executive shall be the Accounting Officer for the purposes of the Comptroller and Auditor General Acts 1866 to 1998 with regard to the appropriation accounts of that office. In that way, section 19 of the Comptroller and Auditor General Act 1993 will apply. Therefore, based on the existing construct of the legislation and the construct of the Comptroller and Auditor General Acts, I do not propose to accept this amendment.

I accept the sentiment of what the Deputy is saying but, having regard to the Comptroller and Auditor General Acts, it has already been built in to the legislation. I was a former member of the Committee of Public Accounts and I do not disregard anything that Deputy Cullinane has said. The intention is very clear. We accept the intention but, unfortunately, we cannot accept the amendment.

Deputy David Cullinane: I accept the intention as well, which is why I tabled the amendment. I also accept the Minister of State's response, which we also got on Committee Stage. I want to acknowledge that the Minister of State did accept on Committee Stage related amendments with regard to the role and function of the Comptroller and Auditor General in respect of this office. I still believe that the amendment should be accepted. The Minister of State said that he is not minded to do so, but I will press the amendment.

Amendment put and declared lost.

Acting Chairman (Deputy Bernard J. Durkan): Amendment No. 3 is also in the name of Deputy Cullinane. We are getting good mileage here now. This amendment also arises out of committee proceedings.

Deputy David Cullinane: I move amendment No. 3

In page 15, line 32, after "determine" to insert "subject to review by the Committee as defined under *section 17* of this Act".

I do like to make mileage, as the Chairman knows, and I am very pleased to be co-operating with him this evening.

This is a simple and straightforward amendment. The Minister of State will know that the purpose of the amendment is to ensure that all pay increases in excess of public sector rates are subject to review by the finance committee. Again, we had a lengthy discussion on this on Committee Stage. Far too often we have seen payments made in excess of what was agreed in terms of public sector rates, rates for those at the top of the public sector and special advisers. With this amendment we are advocating that this would not happen save for the acceptance or support of the finance committee. There would be some level of democratic oversight and scrutiny and it would not be that any Minister of the day could decide to breach the salary caps. There would have to be a report to the finance committee and it would have to sign off on it.

The Minister of State said that it could create a precedent for all sorts of pay issues in respect of the public purse and public pay. However, this is specific and unique. The Government has accepted that there needs to be salary caps at the top, but they are often breached. Afterwards we are told that there is nothing we can do about it, which is why we are trying to bring in some sort of accountability. That is the purpose of the amendment. We rehearsed this on Committee Stage and I am pre-empting that the Minister of State will not support this amendment as well. If he does not, we will press the amendment.

Deputy Patrick O'Donovan: The Deputy pre-empted me well but, in fairness, I did accept a good number of his amendments already and I thank him for acknowledging it.

Government pay policy is the responsibility of the Minister for Public Expenditure and Reform, who is best placed to establish remuneration rates for board members. This applies across all boards appointed by the Public Appointments Service. Section 21(1) of the National

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Shared Services Office Bill provides that “[a] member of the Board may be paid such remuneration (if any) and allowances for expenses (if any) incurred by him or her as the Minister may determine”. Furthermore, section 17(8) provides, in respect of the chief executive reporting to the committee, that “[i]n the performance of his or her duties under this section, the chief executive shall not question or express an opinion on the merits of any policy of the Government or a Minister of the Government or on the merits of the objectives of such a policy”.

Generally speaking, remuneration for board members forms part of the wider Government public service pay policy and is set in the context of the relative qualifications, duties and responsibilities of board members as they apply across the public service. The biggest concern is precedent, which the Deputy referred to and to which I referred on Committee Stage as well, and where it would stop in respect of other bodies and whether the remuneration of the board members of every public board and body would be established by the sectoral committees within the Houses of the Oireachtas. While accepting the principle of what the Deputy is suggesting and that the oversight is well-intentioned, I think it would grind the Oireachtas committee system to a halt. The committee would not be best placed to singularly consider and review, in isolation from wider Government policy and practice, the remuneration rates established by the Minister for a particular body, as proposed. It is on this basis that I cannot accept the amendment.

Acting Chairman (Deputy Bernard J. Durkan): Is the amendment being pressed?

Deputy David Cullinane: Yes.

Amendment put and declared lost.

Acting Chairman (Deputy Bernard J. Durkan): Amendment No. 4, in the name of Deputy Bríd Smith, is out of order because it does not arise out of committee proceedings.

Amendment No. 4 not moved.

Bill received for final consideration.

Acting Chairman (Deputy Bernard J. Durkan): When is it proposed to take Fifth Stage?

Deputy Patrick O’Donovan: Now.

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

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

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

Deputy Richard Boyd Barrett: It is not agreed.

Question put and declared carried.

Deputy Richard Boyd Barrett: It was close though.

Acting Chairman (Deputy Bernard J. Durkan): Very close. So close I could not believe it.

Deputy Patrick O’Donovan: It really is end-of-term stuff.

Acting Chairman (Deputy Bernard J. Durkan): Is it agreed that the Bill now go to the

Seanad? I hope the Deputy will not oppose that. It is agreed. A message shall be sent to the Seanad acquainting it accordingly.

Mediation Bill 2017: Report Stage (Resumed) and Final Stage

Acting Chairman (Deputy Bernard J. Durkan): Amendments Nos. 28 to 31, inclusive, are related and may be discussed together. Deputy Madigan is not present so Deputy D’Arcy will move the amendment for her.

Deputy Michael D’Arcy: I move amendment Nos. 28:

In page 16, to delete lines 26 to 38, and in page 17, to delete lines 1 to 5.

Minister for Justice and Equality (Deputy Charles Flanagan): I cannot accept amendment No. 28 in the name of my colleague, Deputy Madigan. It is appropriate where a court, under section 16, has invited parties to consider the use of mediation and the parties have accepted that invitation that the mediator should be required to provide a factual statement on the outcome of the mediation process to the court.

On Committee Stage, I agreed to reflect further on whether section 17(1)(b)(iii) should be retained. That provides that where no mediation settlement has been reached, the mediator’s report back to the court should indicate whether, in the opinion of the mediator, the parties engaged fully in that mediation. It was pointed out on Committee Stage that this could impinge upon the independence of the mediator, the confidentiality of the mediation in some cases and the willingness of the parties or otherwise to invest in the process. Despite the existence of similar provisions in other legislation, I have formed the view that in this Bill, matters would be better served by the deletion of the provision, which is the purpose of amendments Nos. 29 to 31, inclusive.

Amendment, by leave, withdrawn.

Deputy Charles Flanagan: I move amendment No. 29:

In page 16, line 35, to delete “proceedings,” and substitute “proceedings, and”.

Amendment agreed to.

Deputy Charles Flanagan: I move amendment No. 30:

In page 16, to delete line 38 and substitute “settlement.”.

Amendment agreed to.

Deputy Charles Flanagan: I move amendment No. 31:

In page 17, to delete lines 1 and 2.

Amendment agreed to.

Amendment No. 32 not moved.

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Acting Chairman (Deputy Bernard J. Durkan): Amendment No. 33 does not arise from Committee Stage proceedings and is out of order. Amendment No. 34 is also out of order.

Amendments Nos. 33 and 34 not moved.

Bill, as amended, received for final consideration.

Question proposed: "That the Bill do now pass."

Minister for Justice and Equality (Deputy Charles Flanagan): I and the Government appreciate the constructive engagement on this Bill, which has received detailed consideration in the House. This legislation is part of the Government's strategy to promote mediation as an effective alternative to adversarial and often lengthy and expensive court proceedings. Apart from more effective outcomes and reduced recourse to the courts, it will also help to reduce the legal costs for everybody involved. Following the enactment of the legislation I intend to seek the views of mediation bodies on whether there is already a sufficiently advanced draft code of practice for approval under section 9(1)(b). It is understood that the Mediators' Institute of Ireland has sought input from across the mediation sector with a view to finalising a code that will cover many of the matters outlined in section 9(2). There is reason to believe that significant progress can be made on putting a comprehensive code into practice later this year. I acknowledge the debate we had on this issue.

I thank Members for their contributions and I look forward to the early operation of this important Bill.

Question put and agreed to.

Adoption (Amendment) Bill 2016: From the Seanad

The Dáil went into Committee to consider amendments from the Seanad.

Acting Chairman (Deputy Bernard J. Durkan): Seanad amendments Nos. 1, 4 and 5 are related and may be discussed together.

Seanad amendment No. 1:

Section 9: In page 11, lines 21 to 23, to delete all words from and including "shall," in line 21 down to and including "child" in line 23 and substitute "shall determine how best to ascertain the views of the child, in so far as practicable,".

Minister for Children and Youth Affairs (Deputy Katherine Zappone): These are Government amendments brought forward in the Seanad to amend section 9 of the Adoption (Amendment) Bill. Section 9 of the Bill amends section 19 of the Adoption Act 2010 by substituting a new section 19 to reflect Article 42A of the Constitution. This section provides that in the resolution of any matter, application or proceedings referred to in the section the Adoption Authority of Ireland or the court, as the case may be, shall, in respect of any child who is capable of forming his or her own views, ascertain the child's views and such views shall be given due weight having regard to the age and maturity of the child.

Section 9(4) provides that the Minister may make regulations prescribing the procedures by which the authority or the court shall determine how best to ascertain and give due weight to the views of the child in any matter, application or proceedings. As initially drafted, it is possible to interpret this provision as attempting to provide that the Minister has the power to regulate how a court reaches its decision by prescribing the weight to be attached to the views of the child. This is not my intention. The policy intention of these amendments is to prescribe the mechanisms by which the views of the child can be ascertained so that the authority or the court, as the case may be, can give those their due weight in its deliberations.

Amendment No. 1 proposes to amend section 19 of the 2010 Act to clarify that the regulations made under this section shall only prescribe the mechanisms by which the views of the child shall be ascertained and that it is a matter for the court or the authority to determine the due weight that is to be attached to the child's views.

Section 9(6), as inserted into section 19 of the 2010 Act, provides that in determining for the purposes of subsection (3) how the child's views shall be ascertained and heard and how such views shall be given due weight having regard to the age and maturity of the child the authority or the court, as the case may be, shall have regard to the regulations made by the Minister under subsection (4). Further consideration has been given to this subsection and it has been decided that it is not required. In these circumstances amendment No. 5 proposes to delete subsection (6).

9 o'clock

Amendment No. 4 is a technical amendment following on from the deletion of subsection (6).

Seanad amendment No. 1 agreed to.

Acting Chairman (Deputy Bernard J. Durkan): Amendments Nos. 2 and 3 are related and may be discussed together.

Seanad amendment No. 2:

Section 9: In page 11, line 27, to delete "in person or in writing" and substitute "in person or in writing or by other means (including by electronic means)".

Deputy Katherine Zappone: Amendments Nos. 2 and 3 are Government amendments introduced in the Seanad. They both amend section 9 of the Bill. Section 9 provides that the Minister may make regulations to make provision for the procedures that are to apply to enable a child to present his or her views in person or in writing to the authority or court, as the case may be. It also provides that the Minister may make regulations to make provision for the procedures that are to apply to enable a child to nominate an appropriate person to present the child's views orally or in writing to the authority or court. As initially drafted, the child is restricted to expressing his or her views in person or in writing. The amendment to the section attempts to future-proof the legislation to ensure a child who may wish to use other means, including electronic means, to give his or her views to the court or authority may do so. The provision will also apply in cases where the child nominates an appropriate person to present his or her views to the authority or court.

Seanad amendment No. 2 agreed to.

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Seanad amendment No. 3:

Section 9: In page 11, line 31, to delete “orally or in writing” and substitute “orally or in writing or by other means (including by electronic means)”.

Seanad amendment No. 3 agreed to.

Seanad amendment No. 4:

Section 9: In page 12, line 29, to delete “the regulations.” and substitute “the regulations.”.

Seanad amendment No. 4 agreed to.

Seanad amendment No. 5:

Section 9: In page 12, to delete lines 30 to 34.

Seanad amendment No. 5 agreed to.

Seanad amendment No. 6:

Section 24: In page 20, between lines 6 and 7, to insert the following:

“(a) by the insertion of the following paragraph in subsection (1):

“(a) if the Child and Family Agency is satisfied that every reasonable effort has been made to support the parents of the child to whom the declaration under section 53(1) relates.”.

Deputy Katherine Zappone: Amendment No. 6 was tabled by Senators Lynn Ruane and Frances Black on Committee Stage in the Seanad. It is an amendment to section 24, which inserts a new subsection (a) into section 54(1) of the Adoption Act 2010. This provision will present challenges and we have been working with Senator Ruane on it. Following the enactment of the Bill, I will continue to work with my officials, Tusla, the Adoption Authority of Ireland and the Office of the Attorney General to address these challenges. I agree with Senator Ruane that we need to make sure parents are supported. In doing this, we must also ensure there is no risk posed to the adoption when it is in the best interests of the child. I thank Senator Ruane for the considerable time and effort she put in to engaging with me and my officials on this amendment.

Seanad amendment No. 6 agreed to.

Seanad amendment No. 7:

Section 42: In page 26, between lines 5 and 6, to insert the following:

“Review, consultation and report

42. Not later than 10 months after the passing of this Act, the Minister shall initiate a review and consultation in respect of the potential introduction of open or semi-open adoption in Ireland. Such a review shall include public consultation and legal and policy analysis. A report on the findings of this review and consultation shall be laid before the Houses of the Oireachtas not later than 18 months after its initiation.”.

Deputy Katherine Zappone: I accepted Senator Alice Mary Higgins’s amendment No. 7 in the Seanad. Like the Senator, I support the principle of open adoption and acknowledge its benefits. The amendment requires the initiation of a review and consultation process in respect of the potential introduction of open or semi-open adoption. Open adoption generally means a form of adoption in which the biological or adoptive families have access to varying degrees of each other’s personal information and an option for contact. However, we will need to reach a better understanding of what we mean by these terms.

My Department’s overriding approach to any change in adoption policy is that primary focus must be given to the child’s best interests. This relates to all decisions about a child’s future. Any consideration of open adoption must have a child-centred approach, that is, not what is desirable for either set of parents but what is in the best interest of the child. It must take account of the voice of the child in that process.

The review will also require a full examination of a number of issues related to its retrospective application, having regard to the legal basis of existing adoptions and the constitutional and legal rights of those involved; possible implications of inter-country adoption; the operation of arrangements with other countries; and circumstances where it may not be in the best interests of the child to be subject to an open adoption.

I have given a commitment to embark on a full review of adoption policy and legislation next year and this will include examining the concept of open adoption. An initial scoping exercise has already taken place. As the outcomes of this review will be influenced by a wide range of issues, undertaking this work within the timescale will be very challenging. Notwithstanding these concerns, I acknowledge the importance of this work. I extend my thanks to Senator Alice Mary Higgins for this helpful and constructive amendment which is a further step in modernising our adoption practices.

Seanad amendment No. 7 agreed to.

Seanad amendments reported.

Framework Agreement between the EU and the Republic of the Philippines: Motion

Minister of State at the Department of the Taoiseach (Deputy Helen McEntee): I move:

That Dáil Éireann approves the terms of the Framework Agreement on Partnership and Cooperation between the European Union and its Member States, of the one part, and the Republic of the Philippines, of the other part, signed at Phnom Penh, Cambodia, on 11th July, 2012, a copy of which was laid before the Dáil on 1st June, 2017.

Question put: “That the motion be agreed to.”

<i>The Dáil divided: Tá, 57; Níl, 17; Staon, 0.</i>		
<i>Tá</i>	<i>Níl</i>	<i>Staon</i>
<i>Aylward, Bobby.</i>	<i>Boyd Barrett, Richard.</i>	
<i>Brassil, John.</i>	<i>Broughan, Thomas P.</i>	

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<i>Breathnach, Declan.</i>	<i>Buckley, Pat.</i>	
<i>Browne, James.</i>	<i>Crowe, Seán.</i>	
<i>Bruton, Richard.</i>	<i>Cullinane, David.</i>	
<i>Butler, Mary.</i>	<i>Doherty, Pearse.</i>	
<i>Cahill, Jackie.</i>	<i>Funchion, Kathleen.</i>	
<i>Calleary, Dara.</i>	<i>Healy, Seamus.</i>	
<i>Cannon, Ciarán.</i>	<i>Kenny, Martin.</i>	
<i>Carey, Joe.</i>	<i>Mitchell, Denise.</i>	
<i>Casey, Pat.</i>	<i>Munster, Imelda.</i>	
<i>Cassells, Shane.</i>	<i>Ó Broin, Eoin.</i>	
<i>Chambers, Jack.</i>	<i>Ó Caoláin, Caoimhghín.</i>	
<i>Collins, Michael.</i>	<i>Ó Laoghaire, Donnchadh.</i>	
<i>Cowen, Barry.</i>	<i>Ó Snodaigh, Aengus.</i>	
<i>D'Arcy, Michael.</i>	<i>Quinlivan, Maurice.</i>	
<i>Daly, Jim.</i>	<i>Smith, Bríd.</i>	
<i>Deasy, John.</i>		
<i>Doherty, Regina.</i>		
<i>Donnelly, Stephen S.</i>		
<i>Doyle, Andrew.</i>		
<i>Durkan, Bernard J.</i>		
<i>English, Damien.</i>		
<i>Farrell, Alan.</i>		
<i>Fitzmaurice, Michael.</i>		
<i>Flanagan, Charles.</i>		
<i>Griffin, Brendan.</i>		
<i>Harris, Simon.</i>		
<i>Kehoe, Paul.</i>		
<i>McEntee, Helen.</i>		
<i>McGrath, Mattie.</i>		
<i>McGrath, Michael.</i>		
<i>McHugh, Joe.</i>		
<i>McLoughlin, Tony.</i>		
<i>Mitchell O'Connor, Mary.</i>		
<i>Moran, Kevin Boxer.</i>		
<i>Moynihan, Aindrias.</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>O'Brien, Darragh.</i>		

<i>O'Dea, Willie.</i>		
<i>O'Donovan, Patrick.</i>		
<i>O'Loughlin, Fiona.</i>		
<i>Phelan, John Paul.</i>		
<i>Rabbitte, Anne.</i>		
<i>Ring, Michael.</i>		
<i>Rock, Noel.</i>		
<i>Ross, Shane.</i>		
<i>Smith, Brendan.</i>		
<i>Smyth, Niamh.</i>		
<i>Stanton, David.</i>		
<i>Troy, Robert.</i>		
<i>Zappone, Katherine.</i>		

Tellers: Tá, Deputies Joe McHugh and Tony McLoughlin; Níl, Deputies Aengus Ó Snodaigh and Pearse Doherty.

Question declared carried.

Ceisteanna - Questions

Priority Questions

Social and Affordable Housing Provision

1. **Deputy Barry Cowen** asked the Minister for Housing, Planning, Community and Local Government his plans to introduce an affordable rental scheme to subsidise rents for low to middle income households in employment; the reason his Department decided not to use the €10 million allocated in budget 2016 for a pilot scheme for this purpose was not utilised. [34098/17]

Deputy Barry Cowen: My question relates to an issue I referred to earlier during the passage of the legislation, which is the absence of an affordable housing scheme. In the Rebuilding Ireland programme it was envisaged that local authorities would look at ways in which they could facilitate and accommodate such schemes and maybe have them on a local authority or

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regional basis. The time has come for the Government to bring forward both an affordable rental and affordable purchase scheme, which the market is crying out for. I would like to hear the Minister's views and opinions on the matter before we deliberate any further.

Minister for Housing, Planning, Community and Local Government (Deputy Eoghan Murphy): Action 4.6 of the Rebuilding Ireland action plan provided for the introduction of an affordable rental scheme to enhance the capacity of the private rented sector to provide quality and affordable accommodation for households currently paying a disproportionate amount of disposable income on rent. Provision was made for €10 million per annum to be allocated through my Department's Vote for that purpose. As set out in the strategy for the rental sector published in December 2016, the commitment to develop an affordable rental model is now to be progressed through kick-starting supply in rent pressure zones. Lands held by local authorities in such zones are to be brought to market on a competitive tendering basis, with a view to leveraging the value of the land to deliver the optimum number of units for rent, and in particular targeting middle income households in mixed tenure developments. This is intended to allow the rental units to be made available at below market prices without the need for ongoing rental subsidies. Accordingly, the provision of €10 million earmarked for the affordable rental scheme is being redirected to support additional activity under other housing programmes within my Department. An important policy intervention in the delivery of new housing supply under pillar 3 of Rebuilding Ireland is the development of State-owned lands for mixed tenure housing, particularly in the major urban areas where demand is greatest. I have asked all local authorities to be innovative and proactive in developing these sites. The final model for each site, including the affordable rental element, will be the subject of careful consideration by the local authority concerned, including by the elected members, who are best placed to know and provide for the housing need in their area. My Department is considering, in conjunction with local authorities, what national or local eligibility requirements should be specified. I am also considering further initiatives and actions to address the issue of affordability in the context of the targeted review of Rebuilding Ireland which my Department has now commenced.

Deputy Barry Cowen: I thank the Minister for his response. Is it a source of personal regret that despite the fact that €10 million was specifically allocated for this purpose in budget 2016, as the Minister alluded to, it is now being redirected to other initiatives? Was that at the request of the previous Minister? As a new Minister in the role, is the Minister disappointed it was the case? Does he think he will be able to regain lost ground on this issue? One hoped the pilot scheme would have been deemed to have been successful by this stage and that a supplementary budget would have been made available for an enlargement of it or a rolling out of it across the country?

Deputy Eoghan Murphy: It is not a source of regret. It is a better use of resources to use our State-owned lands in this way to try to leverage affordable rent and affordable buy models and to have that €10 million to allocate to other areas where need arises. A recent example is when we had to allocate an additional €10 million to try to accommodate 200 more families who presented as homeless in the past number of months. On the issue of affordability and the review under way in the Department, that particular section of this problem, affordable rent and affordable buy, has to be a part of some of the new solutions that will be brought to bear. It is a part of our consideration. Deputy Boyd Barrett talked about this issue on Second Stage of the Bill. Anything we do at each point in the housing market will have an effect on the other points. The delivery of new social houses is very important. If we can also bring in new types of accommodation that are affordable for people to rent or buy, it will relieve pressures in other

parts of the market, which would make it easier for us to combat the problem we are facing as a whole which is both a housing crisis and a homelessness emergency.

Deputy Barry Cowen: It is some months since the publication online of the available sites around the country which are in the gift of many local authorities. The public was requested to express an interest in being considered by local authorities to develop sites on a contract or partnership basis into the future. Can the Minister ascertain at this stage the sort of response there has been and if it is from that source that affordable schemes are emanating? If so, is there a blueprint there for something to be initiated before the budget to honour the commitment that was given in budget 2016?

Deputy Eoghan Murphy: With regard to the active management of local authority lands, the Rebuilding Ireland map was published in April this year. There is potential, if one looks at those lands and where they are located, for 50,000 new homes, which is significant. It is a very important part of what we want to deliver. We facilitated a workshop in the Department on last Monday, 10 July, to get the ball rolling with local authorities. I have requested that the plans for what we will do with that work to be prepared by the end of September.

There are models out there for affordable buy and affordable rent that are being examined at the moment. One particular model involves co-operative housing and an affordable buy scheme. I had the privilege to hand the keys over to a new family moving into one of those homes out in Ballymun earlier this week. A total of 47 or 49 units will be delivered at an affordable cost to people who can get a mortgage and move into that area. The cost is about €170,000 for a three-bedroom house, which is graded A2. There are schemes and models that are working. My job as part of the review is to bring those schemes together and drive them from the Department. If a scheme is working, we have to see if it can be applied and rolled out across the country.

Housing Provision

2. **Deputy Eoin Ó Broin** asked the Minister for Housing, Planning, Community and Local Government his plans to ensure that no LIHAF funding will be released to developers that have not provided for a proportion of the units in their development to be sold at an affordable price that is less than €300,000 in Dublin and at appropriate levels elsewhere. [33571/17]

Deputy Eoin Ó Broin: I am looking for a very specific update on the roll-out of the local infrastructure housing activation fund and, in particular, what the affordability return for taxpayer money will be in specific developments. Will the Government and Department keep to the original proposal from last August that at least 40% of the units in each of these developments should come in at 10% below market price or could some developments have no affordable units in them at all, as the previous Minister, Deputy Coveney, seemed to suggest the last time he took questions?

Deputy Eoghan Murphy: The aim of the local infrastructure housing activation fund, LIHAF, is to relieve critical infrastructural blockages to enable the accelerated delivery of housing to address the shortage of supply in urban areas.

The Exchequer funding under LIHAF goes directly to the local authority which will procure the infrastructure through normal public procurement. The State receives a dividend in

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the form of accelerated housing supply once the blockage to development is removed, land for the infrastructure, as well as much-needed social housing under Part V. In seeking to secure improved affordability on private housing, it was initially proposed that a capped price point would be set on a percentage of the housing. However, it was subsequently recognised that setting a cap in 2016 for housing that would be developed up to 2021 and beyond was problematic and would have adversely impacted the commercial viability of some sites, with consequential negative impacts on overall supply.

Accordingly, a more proportionate way to recognise the contribution of LIHAF that will encourage housing supply and deliver an affordability dividend has been put in place. Two options are available to local authorities in seeking to reach agreements with developers, one which sets a minimum number of houses to be offered at 10% below market cost, including under €300,000 in Dublin, and a second option where a cost reduction related to the LIHAF contribution could be spread over the housing development as a whole.

This second option means a smaller reduction in price over a greater number of houses, giving more purchasers a potential saving, but not affecting the viability of the development and more accurately reflecting the contribution of LIHAF to reducing the overall costs of providing the new homes.

No drawdown of funding can occur by local authorities until cost-reduction commitments have been agreed and signed between the local authority and the developer. It is expected that all agreements will be finalised by the end of this month.

Deputy Eoin Ó Broin: I thank the Minister. One of the questions I put to departmental officials in the committee two weeks ago was whether it would be possible for a development to secure LIHAF funding where there would be no affordability dividend in that development. The official said it could be possible. When we raised it with the former Minister for Housing, Planning, Community and Local Government, Deputy Coveney, previously he said that if there was no affordable dividend in the actual development, the money would not be released. I am asking the Minister the same question. If a local authority comes back, for example, in Cherrywood, and if despite the expenditure of €15 million of taxpayers' money none of the units there come in at below €300,000 which would be the minimum affordable criterion at a push, will the Minister give a commitment that the money will not be provided in such circumstances?

Deputy Eoghan Murphy: It remains to be seen what will be agreed by different local authorities in respect of the sites that are being developed or opened up thank to the LIHAF funding. It is important that the local authorities use that funding to leverage as much affordability as they can. Obviously, there is optionality open to them.

Whether we are considering Cherrywood or any other site, we have to bear in mind exactly what proportion of money is being brought to bear by the Government relative to the overall amount of money that would be required to develop the site, how that money is being invested and what it will release for the community that will be there. The most important thing is that we are seeing new supply. The affordability commitment can and must be made. If LIHAF funding is being brought to bear on any development through a local authority to open up that new supply, there must be an additional affordability criterion above and beyond the existing Part V commitment under the development.

Deputy Eoin Ó Broin: The problem is that supply in itself will not automatically guarantee

affordability. I go back to the questions Deputy Cowen raised. Every time anybody in this House asks about affordable rental or affordable purchase, the answer is, “We’re looking at models”. The truth is that the Government does not have any models. I understand one project is about to be developed involving the Housing Agency and two approved housing bodies in Dún Laoghaire. That will be the first possible affordable rental model. However, I am hearing that the entry-level rent will not be anything close to affordable.

The difficulty will be that if €15 million of taxpayers’ money is drawn down in a project such as Cherrywood and if none of those units comes in at below €300,000, people will rightly want to know if it is a good use of taxpayers’ money. The Minister’s answer is a little better than that given by his predecessor. It would help local authorities in their negotiations if the Minister says very clearly that if there is no affordability dividend with actual affordable units, then money will not be released.

Deputy Eoghan Murphy: We need to be clear when we talk about the purpose of the fund. LIHAF exists to facilitate investment by the local authorities of taxpayers’ money to ensure pieces of land can be opened up for the development of housing. We need to bring that supply of housing online. We also have to cater for different price points. It goes back to a point that Deputy Boyd Barrett alluded to earlier in that if we can get people into homes they can afford to buy - whatever affordability means to them as an individual in terms of what they earn and the percentage of their income they are happy to put towards accommodation - and if it takes pressures of things like the rental market and off families who are struggling to find places to live at affordable rent, it has a knock-on effect throughout the system.

Affordability will depend on a number of different factors that input into the cost of construction, one of which is land. In certain parts of the city and the country, the land costs will be much higher and that will have an impact on the type of affordability that can be leveraged by the State in relation to that particular site. We have to look at this on a case-by-case basis in terms of the contracts local authorities are now finalising. Each of the different developments that are accessing LIHAF funding will be finalised towards the end of this month and they will then come to the Department to see what has been agreed.

House Prices

3. **Deputy Barry Cowen** asked the Minister for Housing, Planning, Community and Local Government his plans to stem the house-price inflation that was in evidence in the second quarter of 2017. [34099/17]

Deputy Barry Cowen: The prices of newly built homes are rising much faster than the prices of existing ones. The latest *myhome.ie* report indicates 12.4% price inflation for new homes in the second quarter of 2017, compared with 5.3% for second-hand homes. What are the Minister’s plans to stem the extreme house-price inflation evidenced in the report for the second quarter of 2017?

Deputy Eoghan Murphy: The residential construction sector in Ireland was severely impacted by the economic downturn, with housing output falling by almost 90% between 2006 and 2013. It is unsurprising, therefore, that the lack of housing supply and the lack of a competitive market are widely accepted as being primarily responsible for driving the high levels of house price and rental inflation that we have seen in recent years.

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In order to directly influence and generate supply of new homes, the Government's Rebuilding Ireland action plan contains a suite of actions, such as the €226 million LIHAF that we just discussed; leveraging the value of State-owned lands to deliver a more affordable rental offering in rent pressure zones; streamlined planning systems for housing developments; and other planning reforms to provide flexibility to deliver viable housing schemes and apartment developments in the right locations. In addition, analysis of vacant dwellings data from the 2016 census provides strong evidence for targeted policies to maximise the number of vacant properties that can be brought back into use, especially in our cities and large towns where demand is greatest.

Recent housing activity reports, available on www.rebuildingireland.ie, show that strong supply-side measures are beginning to have a positive impact, with all output indicators showing upward trends. However, it is crucial that we continue to focus on supply and particularly the supply of homes at more affordable price points.

As part of the targeted review process for Rebuilding Ireland, I have asked my Department to focus in particular on the broad issues of housing supply and affordability for different market segments, building on the measures already being advanced under the action plan.

Deputy Barry Cowen: The comparison is plain to see - 12.4% versus 5%. The huge and appalling rise in the price of new houses has to be stemmed. Depending on the actions in Rebuilding Ireland and waiting for supply to meet demand is simply not working without targeted initiatives in supply. The Minister needs to indicate to the House that he will specifically target initiatives that will have the effect of reducing the cost of construction. It is only there that progress can be made. For example, will the Minister either in the budget or earlier provide a holiday on VAT in the construction sector? Will he review planning and development fees? Will he review certification costs and the manner in which certification is carried out? Will he consider competitive finance methodologies such as putting a vehicle in place to allow private investment involving the credit unions and pension funds to fund infrastructure? These are indicators the Minister needs to show the sector he is interested in addressing. To date the failure in that regard has meant that demand has led to this spike and continues to do so.

Deputy Eoghan Murphy: Given the fall-off in construction which happened during the crisis from 2006 and 2013 that I alluded to, obviously supply is the crucial factor in terms of stemming inflation. As we have huge demand and do not have enough stock to meet that demand, we therefore have to increase supply across a number of fronts. Increasing supply means different things. Of course, it means building new homes. We need to work out who builds those homes and for whom. It also means managing stock. The country has a huge number of vacant homes and we also have vacant space or what might be called stranded assets above shops in towns and villages. All of that needs to be looked at. We need targeted measures through the supply of new homes and the management of existing stock. Year on year to March of this year, completions have increased by almost 40% and ESB connections in Dublin have increased by one third. That shows that work is being done, that Rebuilding Ireland is working and that there is new supply coming into the market.

Deputy Barry Cowen: With all due respect, the completion statistics are coming from a low base. Also, using ESB connections as an indicator has proved not to be the road to go down, considering that many properties have been brought back into use rather than such connections indicating new constructions. Will the Minister introduce initiatives to address the cost of construction and the criteria associated with bank lending and the rates being charged?

Has he had sight of the cost of construction analysis being done by the Housing Finance Agency, an independent assessment which was requested six months ago? Where does that stand? If he has had sight of it, or if it is nearing completion, surely he would be in a position to make recommendations which would make inroads into addressing the high cost of construction. If he were to do that, he would leave room for a margin and allow prices to come down. Supply measures can have success into the future but in the immediate term we need to get some indication of the type of interjection the Minister will make in the market to stem the appalling rise in the price of new homes. As well intended as the demand measures were, such as the help-to-buy and the deposit schemes, they have had the effect of spiralling prices in the absence of supply measures.

Deputy Eoghan Murphy: I said ESB connections; I did not say completions. I said when I took over this brief we would stop calling ESB connections completions because they are not completions. However, any ESB connection is a good sign because it shows a new family or an individual will move into that property, whether it is new or has not been occupied for two years. It is a positive indicator. I accept it is not an indicator of a completion.

In regard to construction costs, two pieces of work are under way. One is an international comparator and the other is cradle-to-grave look at the inputs that are there for people who are building and developing. That work is almost completed and we will make a decision based on the findings of those reports. I would point to some schemes I have seen recently, for example, a scheme in Finglas which was a rapid build, the cost of delivery of which was very impressive. It involved a precast form of building which the private sector is now also adopting. When people first talked about rapid builds for social housing, people turned their noses up at it, but the private sector is also moving to adopt that model, because it is an efficient and affordable way to build. We are also looking at ways of using land owned by local authorities to try to leverage affordable homes to buy. For example, I would point to a scheme in Ballymun where the local authority gave the land away for effectively nothing, waived the development levies, organised finance through AIB and we now have 49 new homes for families to live in at very affordable purchasing price points for an area like Ballymun in Dublin.

Emergency Accommodation Provision

4. **Deputy Eoin Ó Broin** asked the Minister for Housing, Planning, Community and Local Government the measures he will take to ensure that all emergency homeless accommodation, including family hubs, funded by his Department will meet the highest possible standards. [33572/17]

Deputy Eoin Ó Broin: In the two reports on family emergency accommodations and hubs published yesterday, one by the Irish Human Rights and Equality Commission and the other by two academics from Maynooth University funded by the European Union, one of their central recommendations was the need for an independent inspection regime for emergency accommodation, in particular for families. In order to ensure the highest possible standards are met not just in the initial provision of emergency accommodation, will the Minister give a commitment to at least explore legislation to ensure family emergency accommodation has some formal independent inspection regime, whether by Tusla or some similar body?

Deputy Eoghan Murphy: The Rebuilding Ireland Action Plan on Housing and Homelessness provides for early solutions to address the high number of households in emergency accom-

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modation. These include the delivery of increased social housing supply through new-build, acquisition and refurbishment schemes and independent tenancies for homeless households in the private rented sector through housing supports, such as the enhanced housing assistance payment, HAP. Statutory responsibility in relation to the provision of housing, homeless accommodation and related services rests with individual housing authorities, while my Department's role involves the provision of a national framework of policy, legislation and funding.

The Dublin Regional Homeless Executive is working with each of the four Dublin local authorities to support the delivery of a number of family hubs, which will provide homeless families with more appropriate and supported temporary accommodation, as an alternative to hotel accommodation. The facilities in question will provide a suite of children's services, laundry facilities and cooking facilities and will provide space for families to engage with their key workers and with local authorities in relation to finding more permanent housing solutions.

In addition to being required to comply with normal statutory requirements, including in regard to fire safety, there are guidelines in place, which were developed by my Department in consultation with the Dublin local authorities, on best practice and standards for temporary accommodation for families. In so far as family hubs are concerned, this guidance includes standards in regard to minimum sizes for family units and the provision of living spaces.

Furthermore, the Dublin authorities are also guided in the provision of temporary accommodation for families by the national quality standards framework for homelessness services, which the Dublin Region Homeless Executive has developed. This framework is consistent with Health Information and Quality Authority, HIQA, standards and seeks a minimum level of quality in the provision of temporary accommodation for homeless families.

In terms of standards and quality, it should also be noted that the Dublin Region Homeless Executive has an inspection regime in place to deal with complaints and to ensure targets are met and accommodation is appropriate and safe. The inspection team has a work programme, which includes site visits and interaction with homeless families and individuals on issues arising in their accommodation.

Deputy Eoin Ó Broin: During the past two years as the family homelessness crisis has spiralled out of control, many of us have had direct experience of very poor emergency accommodation conditions in which families are living. They may not be the norm and there are very many good quality, well run and well maintained facilities, but, for example, I refer to rooms with dampness and blood and urine stained mattresses, accommodation that we would not allow ourselves, let alone children, to stay in. Notwithstanding the fact that the Dublin Region Homeless Executive has those quality guidelines and they are HIQA compliant, surely the best way to ensure high quality standards in all emergency accommodation, whether it be the new hubs or existing emergency accommodation, not including hotels and bed and breakfast accommodation, is that they be subject to an independent inspection regime. That is why the HIQA legislation was amended to include, for example, direct provision centres. It would be a really strong statement of the Minister's confidence in the emergency accommodation that his Department is funding if he would subject them to the same type of independent inspection regime so that everybody could be assured that they are meeting the high standards that he has outlined.

Deputy Eoghan Murphy: I have complete confidence in the family hubs and in the way they have been set up, designed, built or retrofitted, and in the people who are working there and bringing community care into those facilities. I have also complete confidence in the Dublin

Region Homeless Executive and its ability to carry out inspections in those facilities to make sure they are up to scratch. I would say to Members who are members of the committee and who have been invited to the Crosscare, or Mater Dei, facility to visit and get a better understanding of exactly what we are talking about when we talk about these family hubs. They will understand from the care workers there that everything that is happening in those hubs is being driven by the communities there in terms of what they want to see and what rules or charter, which is probably the best way of putting it, they want to work under. That is the type of facility they will see there and those are the types of standards being used. The workers there are Tusla approved, separate from the Crosscare, or Mater Dei, facility, and they work together in these family hubs for those families. I am very happy and confident in the standards I have seen so far to date.

Deputy Eoin Ó Broin: I am not questioning or do not doubt any of that, although in addition to people, including ourselves, seeing hubs being constructed, we should also be taking to the families who are currently living in hubs. They would give a much more insightful explanation of the difficulties that families experience, notwithstanding the improvements from hotel and bed and breakfast accommodation to hubs, but none of that is the point I was making. Some 70% of families with children in emergency accommodation currently have been there more than six months, and 40% have been there more than one year. We currently have approximately 200 families who are approaching their second year in emergency accommodation. It does not matter how good a facility is when it is set up, it needs to be subject to an independent inspection. The word “independent” is important because that means independent of the funders, that is, the Minister’s Department, but also independent of the Dublin Region Homeless Executive. If many other aspects of residential care funded by the State are subject to independent inspection such as by HIQA, I cannot see any compelling argument as to why the Minister would not have the same kind of regime for all Department of Housing, Planning Community and Local Government funded emergency accommodation.

Deputy Eoghan Murphy: I had the opportunity to speak to a number of families in the hubs. They confirmed to me they were much happier in the hub than they were in the hotel because of the shared play facilities and the cooking facilities. They could cook a meal and have it on their own without having to have their children in their arms, which they had not been able to do previously but they do so now because of the supports in place. The hub is a better place than a hotel. I repeat that it is a first response, a temporary response and an emergency response.

Some of the people who were meant to be going into the hub at the Crosscare facility were able to find a pathway to more permanent housing before they even went into the hub. If we consider the commitment that was given June to those families who were homeless at the end of May and in emergency accommodation, one third were to go into social housing, one third were to go into HAP support tenancies, and one third were to go into hubs. Each of those families was met and given a letter with that commitment.

I reiterate that the hub is the first response, not the last. It is not meant to be a long-term response. It is better than hotels. I am very satisfied with the arrangements that are in place for the management and operation of these hubs. I am happy to continue to discuss this with the Deputy if he feels there is something missing in respect of the inspection regime. I am happy with what I have seen in terms of the engagement with the care workers, workers from Tusla, local authorities and representatives from the Dublin Regional Homeless Executive in terms of how they are trying to make this an appropriate, safe and strong space for families. If the

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Deputy has other concerns of which I need to be aware, perhaps he could share them with me.

Housing Issues

5. **Deputy Jan O'Sullivan** asked the Minister for Housing, Planning, Community and Local Government his plans with regard to developing and publishing a vacant homes strategy; the date on which he expects to publish the strategy; the elements he will progress in advance of publication; his views on the disappointing take up of the repair and leasing scheme; and if he will make a statement on the matter. [33629/17]

Deputy Jan O'Sullivan: Last week, the Minister told us that the vacant homes strategy was being deferred. We had been expecting it before the summer break although it was actually due at the end of March. He said it was being deferred because there were certain measures he wanted to introduce. I gather some of them may be budgetary. He also said there were some elements he could progress in advance of publication. My question is around what elements he might be able to advance ahead of publication. I have a specific query about the repair and leasing scheme, which does not appear to have taken off as well as expected.

(Deputy Eoghan Murphy): Pillar 5 of the Government's Rebuilding Ireland Action Plan for Housing and Homelessness is specifically focused on utilising existing housing stock, with a key objective of ensuring that the existing vacant housing stock throughout the country and across all forms of tenure, in both the public and private sectors, is used to the optimum degree. In this regard, action 5.1 of Rebuilding Ireland commits to the development of a national vacant housing reuse strategy, informed by Census 2016 data.

To this end, the Housing Agency established a working group comprising senior representatives from my Department, local authorities and from the Housing Agency itself to inform the strategy. My Department has received the output from the work of this group and is presently engaging with key Departments and agencies to consider the analysis and agree on the recommended actions prior to publication. I would like to see as much ambition as possible in bringing as many viable vacant properties back into use at an early stage. I intend, as part of the review of Rebuilding Ireland, to explore what further actions can be taken and what new ideas we can bring to bear, in close liaison with ministerial colleagues.

If budgetary measures are needed to reinforce the ambition, this may delay the publication of the strategy. However, this will not delay the commencement of important work at local level in gathering more accurate and up-to-date information on where vacant properties are and who owns them, so that we can facilitate the reuse of many vacant properties, particularly in our cities and towns. I will be meeting with local authority chief executives next week and may release further details then.

Ahead of finalisation of the strategy, it is important to note that my Department has already introduced a number of significant measures under pillar 5 of Rebuilding Ireland to incentivise the increased use of vacant housing stock to help meet the needs of those in receipt of social housing assistance. These initiatives include the repair and leasing Scheme, the buy and renew scheme, and the Housing Agency acquisitions fund. My Department will continue to engage actively with local authorities, working together with the housing bodies, to maximise delivery from these schemes, particularly in respect of the repair and leasing scheme referred to by the Deputy, and to progress the wider range of actions to be finalised as part of the broader vacant

house reuse strategy.

Deputy Jan O’Sullivan: I welcome the fact that the Minister is meeting with the local authorities next week and hope that he will impress upon them the importance of proactively finding out why there are so many vacant properties around the country. I referred before and will refer again to the Peter McVerry Trust’s specific proposal about having vacant homes officers in each local authority, whose role would be to try to bring those homes back into use. Even if the figure of 200,000 or so that is identified in the census is an overestimation, it would still be enough to address the housing and homelessness crisis if even a fraction of them were brought back into use.

I know the Minister might not tell me as it is a budgetary matter, but is he going to consider a vacant homes tax? Will that be discussed and considered in advance of the budget? What measures will he take to ensure that local authorities are more proactive in this area? There is so much potential and it is so much quicker to do up an empty house and bring it back into use than to build a new one. It seems to me that there is no great sense of urgency being shown in respect of the fact that these houses are there and could be brought back into use.

Deputy Eoghan Murphy: The Deputy is absolutely right to focus on vacant homes and the vacant homes strategy. As we discussed earlier, if we are to solve the problem we are currently facing, it is not just about bringing online new builds but also managing the existing stock that we have. That figure of 180,000 or 190,000 vacant homes in the country does not include holiday homes. People sometimes wonder. Some of the initial work that has been done in terms of trying to drill down into that figure would indicate that maybe about 100,000 or 110,000 of those homes are not in locations where people actually need to live to work and everything else. We might be looking at a figure of about 90,000. When we break that down even further and take out short-term vacancies between letting periods, houses that might have been for sale and homes caught up in probate issues and things like that, the truer figure might be closer to 25,000. It is still a huge number of homes. It is what we need in a given year. We need to make sure that we can come with a very strong strategy to get those homes unlocked and lived in.

Deputy Jan O’Sullivan: Again, I appreciate that the Minister is meeting the local authorities next week. Surely, a year after Rebuilding Ireland, they have some handle on exactly what is going on in each local authority area. It should not be too difficult, particularly in the cities where we have the biggest demand for housing. Has the Minister any sense of what might be available and why they are being left vacant for such a length of time?

Deputy Eoghan Murphy: The Deputy must bear in mind that we are talking about private property. If we are going to approach this we must do so in a way that is going to work. I have already begun consultations with the Attorney General and the Minister for Finance as to different measures that we can undertake.

The publication of the strategy may be delayed for certain reasons of which the Deputy is aware. That does not delay the commencement of work. When I meet with the local authority chiefs next week, we will talk about the work that is already under way. For example, we can look particular counties like Louth, which has been very successful in pursuing compulsory purchase orders, CPOs, and using that tool to get houses unlocked. Of the houses that were unlocked in Louth, they only needed to use CPOs for a tiny fraction. It was the initial engagement with the owners of the property that allowed them to come to much quicker and cheaper solutions than would have resulted from going through the whole CPO process.

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Work on this is already under way in the local authorities. The piece I have to do is to look at the different schemes that are in place to see how they have been working, whether they have been working, if we can streamline them in some way, and if we can bring more resources into those schemes. We need to make sure that the local authorities have the people to do that work on the ground in co-ordination with the unit of my own Department. I may be able to give more detail on that at the beginning of next week.

Deputy Jan O’Sullivan: I suggest that the Minister also engages with the voluntary housing sector. Those groups will tell us that there are difficulties with the repair and leasing scheme and that some of the schemes that are in place are unduly cumbersome and not straightforward. Even when they identify homes that are available, they are having difficulty transferring them to their stock. I do not know if the Minister has the figure, but in terms of the repair and leasing in particular, does he know how much of the allocated funding for this year has been spent?

Deputy Eoghan Murphy: I do not have a figure for the allocated funding that has been spent so far on the repair and lease scheme. I have asked for that figure and am awaiting it. I have spoken to the housing bodies and to the Housing Finance Agency and the Housing Agency. The Deputy will be aware that there is legislation coming in the autumn in respect of the regulation of housing bodies. Once we have that in place, we can secure better and longer term sources of finance, for example from pension funds or potentially perhaps from the credit unions, as was alluded to earlier by Deputy Barry Cowen. When we do that, we are bringing greater resources to bear as well as greater expertise in terms of some of the things we might be able to do in conjunction with existing schemes, be they the repair and lease scheme or the buy and renew scheme, as well as other new measures that will be coming online.

While vacant homes will be part of the strategy, we also have to look at stranded assets, by which I mean, for example, space above a shop that might have previously been a home but has now become some sort of temporary or default storage space. Such a space could actually have people living in it and might be located where people want to live, in a village or town centre where all the transport, resources, shops and everything else are nearby.

Other Questions

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

Voluntary Housing Sector

8. **Deputy Bríd Smith** asked the Minister for Housing, Planning, Community and Local Government if he will examine the method used by voluntary housing agencies to set the rent levels of their tenants and the rights of tenants in circumstances in which they are faced with substantial rent rises; and if he will make a statement on the matter. [33384/17]

46. **Deputy Gino Kenny** asked the Minister for Housing, Planning, Community and Local Government the steps he will take to ensure voluntary housing agencies that are recipients of

State funds do not raise their rents out of line with rents charged by local authorities; and if he will make a statement on the matter. [33386/17]

Deputy Bríd Smith: I am asking a question on voluntary housing agencies which is being answered along with a similar question from Deputy Gino Kenny. The substance of the question is to find out if the Minister is aware of very serious rent hikes being implemented by voluntary housing bodies because of methods they use to calculate rents, and if the Minister has any intention of investigating this matter or imposing more structures and restraints on how voluntary housing bodies and approved housing bodies conduct their rent regimes.

10 o'clock

Does the Minister have any intention of investigating this, or putting more structures or restraints on how voluntary housing bodies and approved housing bodies can increase their rents or conduct their rent regimes?

Deputy Eoghan Murphy: I propose to take Questions Nos. 8 and 46 together.

The normal legislative provisions of the Residential Tenancies Acts governing rent setting, rent reviews and notices of changed rents for private rented tenancies do not apply to approved housing body tenancies. Instead, these matters are governed by the tenancy agreements, leases or financing arrangements that are in place. When a social housing unit is provided by a housing body under a payment and availability arrangement with a local authority, it is a condition of such funding that rent must be determined in accordance with the differential rents scheme of the housing authority in which the house is situated. This mechanism accounts for a significant element of the housing being delivered by housing bodies at present. When housing is provided by a housing body under the capital assistance scheme, my Department's historical guidance states that rent should be at a level that is reasonable having regard to the tenant's income and the outlay of the housing body on the accommodation, including the ongoing property management costs. Housing bodies are also required to consult local authorities on the setting of rents.

It should be noted that provision has been made in the Residential Tenancies Act 2004 for the Residential Tenancies Board to have a dispute resolution role in housing bodies' tenancy rent settings and reviews. In summary, a housing body tenant may refer a dispute to the Residential Tenancies Board for resolution on the question of whether the initial rent set for his or her tenancy, or the rent arising from a rent review, is in line with the provisions of any tenancy arrangement, lease or financing arrangement in place. This provides an important protection for housing body tenants when disputes arise regarding these matters. Notwithstanding this provision, it is timely that the overall approach to rents in the housing body sector would be subject to review. My Department will consider this matter later this year in consultation with the housing body sector and the local authorities. It will also take account of the work being undertaken on the development of a national framework of differential rents.

Deputy Bríd Smith: I note that 47,000 social houses are due to be built by 2021 in line with the target set under the Rebuilding Ireland policy. The Minister might believe that this will happen, but I do not. The approved housing bodies and the voluntary housing bodies have quite a central role in that strategy. It is intended that approximately 15,000 houses, or one third of the total, will come from that sector, which is subsidised to a huge degree by the State. The Minister has said that the remit of the Residential Tenancies Board covers rent increases in this sector. However, I have it in writing from the board and from Clúid, which is the voluntary housing

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body I am complaining about here, that the remit of the board does not cover rent increases in this sector. It covers the setting of rents in this sector, but not rent increases. As the Minister has said, a memorandum of understanding with this sector provides that rents should be reasonable and that lower limits or floors should be set. However, a ceiling is not set.

There will be a problem if one third of the social housing stock comes from the voluntary housing sector, which has always had a great reputation. I have always believed it is a great sector to be housed from. The problem is that all of the tenants are taken from the local authority lists. Like other Deputies, I have constituents whose tenants are paying much higher rents than the local authority because they do not use the local authority method. When I query this, they say that they use a local authority method. It just happens that they do not use the method of the local authority where they are located. A scheme in Chapelizod could be setting rent in accordance with the terms of the local authority in County Kerry, for all I know. Dublin City Council's method for setting the rent is certainly not being used. I have clients whose rent has increased by 38% this month. That is way out of kilter with the national norm. Something needs to be done to address that.

An Leas-Cheann Comhairle: The Deputy has taken enough time to cover both of her supplementary questions.

Deputy Eoghan Murphy: As I said in my initial reply, I will review and consider the matter the Deputy has raised. I will look at the differential rents under the national framework later this year. The housing bodies are playing a crucial role at the moment. They will continue to do so as we look to develop and supply more social housing to people in this country. We are seeking to provide 47,000 new social housing homes over the course of the Rebuilding Ireland plan. A big piece of work is going to come into the Dáil in September. It relates to the regulation of housing bodies. It will be a very important piece of work. Over 300 housing bodies are dealing with these issues in this State at the moment. We need to find ways of making sure there is a consistency of approach between housing bodies. We need to leverage those bodies to their maximum potential in terms of financing solutions. We need to increase the scale of what those bodies are doing. That will potentially require amalgamations. We will have to see about that. It might require overseas housing bodies that have greater experience of doing this on a bigger scale to come in. There is huge potential here. The most important thing is to get the regulation in place and onto a statutory footing. That will open up avenues for the financing needed to help us to do everything else we want to achieve.

An Leas-Cheann Comhairle: Question No. 46, in Deputy Gino Kenny's name, is grouped with Deputy Smith's question.

Deputy Bríd Smith: Do I not get to ask a supplementary question?

An Leas-Cheann Comhairle: I was very generous with the Deputy. I will allow another short question.

Deputy Bríd Smith: Do I not have time to respond to what the Minister has said?

An Leas-Cheann Comhairle: Yes, you do. I have already given you two minutes.

Deputy Bríd Smith: Okay. The voluntary housing sector is due to get approximately €1 billion from the State under the Rebuilding Ireland plan. That is quite a lot of State money. When I referred earlier to "clients", I should have referred to "constituents". I apologise to my

constituents for referring to them in that manner. My point is that people have seen rent increases of 38% at a time when there is supposed to be rent control. An increase of €20 a week might not seem like much to people who are paying exorbitant rents in the private rental sector, but it amounts to €1,000 a year, which is a hell of a lot to bear for somebody who is on the old age pension or on disability allowance. When I queried this with the housing body, I appealed to it to take a more incremental approach in light of the fact that the people in question have received increases of just €5 this year. The housing body dismissed this by saying that people who are having difficulty in meeting their heating bills could contact the relieving officer in the Department of Social Protection. This is a flippant, cruel and inconsiderate way for bodies that are receiving State support to behave. It suggests to me that more constraints, structures, rules and regulations are needed in this area of the rental sector. People from the housing list who are given homes are worse off when they go into the voluntary sector than they would be if they went into the local authority sector. There is a real hole here and it needs to be dealt with.

Deputy Eoghan Murphy: I hope they would not be worse off after going into a voluntary housing body property than they would be if they went into a local authority property. That is not the intention at all. Depending on the type of funding that has been received from the housing body, there is an obligation for it to consult with the local authority on the setting of rents. As the Deputy has suggested, there is also an ability for a housing body tenant to apply for a form of rent supplement if he or she needs such assistance. The Deputy is absolutely right when she talks about the need for stronger regulation in this area. That is exactly what I intend to provide when I bring forward legislation later this year.

An Leas-Cheann Comhairle: I call Deputy Gino Kenny.

Deputy Richard Boyd Barrett: The subject of his question has been covered.

An Leas-Cheann Comhairle: In accordance with Standing Orders, I will allow Deputy Ó Broin to ask a supplementary question.

Deputy Eoin Ó Broin: Deputy Smith has raised a very important point. It makes no sense that there are two rental arrangements for the approved housing body sector. The case raised by Deputy Smith arose because capital assistance scheme funding has more flexibility than capital advance leasing facility funding. There should only be one system of rental arrangements in this sector.

I would like to mention two other anomalies. Local authorities do not include family income supplement or carer's allowance in their assessments for rent payment purposes, but some housing associations do in certain kinds of tenancies. That makes no sense whatsoever. Similarly, some housing associations are starting to require deposits from tenants. This is not happening in the case of availability agreement-funded units, but is happening in other cases. Such inconsistencies cause real difficulties for people. I urge the Minister of State to ensure the same rental systems, and the same calculations for rent, apply to local authority houses and to all approved housing body tenancies. I do not think this necessarily needs to be in the forthcoming legislation.

Deputy Eoghan Murphy: I take Deputy Ó Broin's point. We need to be sensitive as we approach this because we are talking about voluntary bodies in many cases. We need to make sure they are working together in a consistent and co-ordinated fashion as much as possible. I hope the regulations will help to provide a framework to do that, in the interests of ensuring the type

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of consistency mentioned by the Deputy is provided to tenants whose housing solutions are being provided by housing bodies. It is very important for tenants to have this kind of consistency and certainty. As we move towards putting the regulation onto a formal footing, we will need to make sure that kind of consistency between the housing bodies can be found, thereby enabling them to deliver what they feel comfortable with in delivering in accordance with their ethos.

Homeless Accommodation Provision

9. Deputy Richard Boyd Barrett asked the Minister for Housing, Planning, Community and Local Government if he will ensure a place finder team is established in Dún Laoghaire-Rathdown as a matter of urgency; and if he will make a statement on the matter. [33185/17]

Deputy Richard Boyd Barrett: I have told the Minister on several occasions that the housing assistance payment, HAP, which forms approximately three quarters of the delivery of social housing that the Government is hoping to achieve between now and 2021 is a fantasy and a mirage which will not materialise. It is a nightmare for people to try to find HAP tenancies. I have asked the Minister and tabled parliamentary questions about it, but I have not received accurate answers, or any answer, about where the place finder service is located in Dún Laoghaire-Rathdown to assist homeless persons and those in difficulty in seeking housing to find HAP tenancies?

(Deputy Eoghan Murphy): A homeless place finder service is managed by the Dublin region homeless executive on behalf of all four Dublin local authorities. This specific and targeted service provides a housing assistance payment-based support service for homeless households and has been successfully operating in the Dublin region, including the Dún Laoghaire-Rathdown County Council area, since 2015. The service has been playing an important and growing role in securing accommodation for homeless households across the Dublin region, including families residing in emergency accommodation, as well as supporting homeless households to avoid having to enter emergency accommodation.

The place finder service has relationships with local estate agents and property owners and can identify properties quickly. In addition, the service can support homeless households to secure a tenancy by providing upfront payments for deposits and rent. A similar place finding service has recently been made available in the Cork city area.

The homeless place finder service can also utilise the HAP inter-authority movement protocol which was introduced in April to allow eligible households to avail of the HAP in any local authority area, subject to the current social housing eligibility income bands. Under the inter-authority movement protocol, households identified with a housing need in Dún Laoghaire-Rathdown can access the HAP in other areas such as south Dublin or Wicklow and retain access to the transfer list in Dún Laoghaire-Rathdown. This is a significant benefit to households in areas where the shortage of rental accommodation is particularly acute.

There are more than 1,600 formerly homeless households whose needs are being supported by the homeless-specific HAP supports across the four housing authorities in the Dublin region, including Dún Laoghaire-Rathdown County Council. I am satisfied that the HAP scheme is generally working well, but I will keep its operation under ongoing review.

Deputy Richard Boyd Barrett: This is where scripted answers really is exposed. This

is the same answer I received from the Minister on 27 June, in which it was stated the place finder service had been operating in the Dublin local authority areas since 2015. He went on to say they included Dún Laoghaire, but that is not true. This is a fact and it is referred to on the websites of the Dublin homeless executive and the Citizens' Information bureau, but I asked a member of my staff to ring the number. When one rings the number of the Dún Laoghaire branch and asks for the place finder service, one is asked, "What is place finder?" They do not even know what it is. We rang the homeless section directly in Dún Laoghaire-Rathdown and were told clearly that there was no place finder service in Dún Laoghaire. We then emailed the central service on 14 June but received no answer. I wrote to the Minister about a week ago detailing all of this information, but there has been no answer. Whoever wrote his answer is wheeling out stuff that is just not true. If that is what I get when I telephone the place finder service, what must it be like for somebody who is homeless with kids who is in and out of a hostel and is given the run-around as he or she looks for something that does not exist?

Deputy Eoghan Murphy: I know that the Deputy is not a fan of the HAP scheme and says it is not working, but some 300 tenancies are being created every week. There were 24,000 people under the scheme, of whom 23,000 found accommodation without the need for a place finder service. The Dublin regional homeless executive operates the place finder service for people on the housing list in the Dún Laoghaire-Rathdown County Council area. I have not seen the correspondence the Deputy said he sent to me and know that he raised the issue of the phone number at the committee a couple of weeks ago. I raised it with officials who said it was the correct number. To be quite honest, I am not sure where the problem is.

Deputy Richard Boyd Barrett: I wrote to the Minister on 6 July, detailing the problem and received a response yesterday from Luach Hardiman who I presume works in the Minister's office conveying apologies for the delayed response and saying he would bring the matter to the Minister's attention. I assume he still has not done so. I have detailed how we go through all of the instructions for the place finder service which is supposed to help homeless persons find HAP accommodation, but it is not available in Dún Laoghaire. That has been confirmed by the homeless section in Dún Laoghaire which has also confirmed that it goes through the central placement services which are located in Dublin. When we rang them, we were told the Focus Ireland workers could hardly find any HAP accommodation because landlords were not interested.

Deputy Eoghan Murphy: That is not consistent with the facts.

Deputy Richard Boyd Barrett: It is very important, if the Minister gives me two parliamentary responses to the effect that there is a place finder service operating in Dún Laoghaire, but when I ring the county council the staff have to ask what it is before the homeless section tells me there is no place finder service. People in trouble need a place finder service which we want. Will the Minister set up a dedicated place finder service in Dún Laoghaire to assist people find the HAP accommodation he believes is available?

Deputy Eoghan Murphy: Did the Deputy rang the housing section in Dún Laoghaire and ask if it had a place finder service, or did he ask if people in Dún Laoghaire-Rathdown were able to access the place finder service in the Dublin regional homeless executive? I am not sure what he has been doing, but I know that what is behind his frustration is the fact that he does not believe in the HAP scheme, even though there are 18,000 landlords providing HAP tenancies for 24,000 people. Approximately 1,000 people have used the place finder service in Dublin to access HAP tenancies.

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Deputy Richard Boyd Barrett: I am saying there is no place finder service in Dún Laoghaire.

Deputy Eoghan Murphy: Tenants on the lists in Dún Laoghaire can access the place finder service for the four Dublin local authorities.

Deputy Richard Boyd Barrett: They are told to ring Dún Laoghaire County Council.

Local Authority Housing

10. **Deputy Gino Kenny** asked the Minister for Housing, Planning, Community and Local Government his views on whether the crisis in housing shows the need for a massive programme of social and public house building funded by the State and local authorities in view of the failure of the market and various incentives to deal with the crisis; and if he will make a statement on the matter. [33385/17]

(Deputy Eoghan Murphy): The Government's Rebuilding Ireland action plan for housing and homelessness is focused on increasing housing supply across all tenures. I believe this is the key to tackling the housing challenge in a sustainable way. The aim is to achieve total housing output of at least 25,000 homes per year by 2020 and all of the available indicators point to a significant increase in activity towards that target. Good progress is also being made in delivering social housing units through build, refurbishment, acquisition and leasing, alongside an accelerated roll-out of the housing assistance payment scheme to meet the needs of some 80,000 households. This activity is being supported through a significantly increased investment programme of €5.35 billion.

While still at an early stage of implementation, there is already strong evidence that the focus on increasing and accelerating social housing delivery is yielding results. In 2016, the housing needs of over 19,000 households were met through a range of social housing programmes, supported by expenditure of over €935 million. A further €1.3 billion has been provided in 2017 to support the accelerated delivery of social housing and the achievement of the 2017 target to meet the housing needs of over 21,000 households.

The need for the earliest possible delivery of social housing is understood by all concerned and this is reflected in the expansion of the social housing construction programme across the 31 local authority areas, by both local authorities and approved housing bodies. There has been an escalation in the social housing build programme and more projects are being added on an ongoing basis. I have, of course, also initiated a focused review of Rebuilding Ireland which I will be aiming to conclude in September to identify what further measures may be necessary to build on the progress already made and underpin momentum in the months and years ahead.

Deputy Gino Kenny: I genuinely wish the Minister good luck in his new position. I said the same to his predecessor because this issue transcends any individual or party represented in this House and we have a crisis beyond a crisis. We have a crisis because social, public and community housing have become dirty words. Social housing has come to mean dysfunctional housing, which is bad. The public housing programme has been a huge success overall. There have been projects that have failed, but housing projects across the State have largely been a success. I am from one in Clondalkin. My family moved from Islandbridge flats to Neilstown which is a huge council estate. It had its problems at the start and still has some, but it is an

amazing community that grew together and got out of certain situations. We can have these great plans, but the reason we have this housing crisis is that, ultimately, social housing has become a dirty word and is being ideologically driven down.

Deputy Eoghan Murphy: I thank the Deputy for his good wishes. I do not disagree with anything he said. The history of how we have come to this crisis is that the Government of the time essentially outsourced its responsibility to the private sector for social housing and then, when the market and the sector crashed, people and their needs crashed with them. We are still dealing with the legacy of this and we see it in every new homeless family that presents itself because they cannot, unfortunately, find a solution in the private rental sector today. Many have, but not everyone can. This is why there has been a change by this Government to make sure we are putting more money into social housing delivery, and that is the important thing. That capital funding that has been put in place over the course of the Rebuilding Ireland plan has been ring-fenced for protection. Next year, more than €1 billion will be spent on delivering on and meeting the social housing needs of our people.

The Deputy spoke about social housing being a dirty word. I hope this is not the case because there is a responsibility on the part of Government to make sure that the taxes of every person in this State are spent in a way that can deliver for the needs of people who need our help the most. That is what we must achieve. This does not just mean social housing in the strictest sense; it also means co-operative housing models and the like, and some very successful schemes are already up and running in that regard.

Deputy Gino Kenny: I hope the action plan is a success but I highly doubt it will be. I am trying to be an optimist, not a sceptic. One thing that has been flagged in Rebuilding Ireland is a parcel of land in Clondalkin, where I live, that is owned by the council. It is an 80-acre site and the plan is to sell it off to a private developer. Anyone in this House who thinks it is logical to sell public land to a private developer during the worst crisis in the history of this State would want to get his or her head seen to. Most of these houses will go to the private market. It really does not make sense to sell off land at the height of the worst crisis in the history of the State to a private developer. This land should be for public housing, affordable housing, cheap rental housing and social housing. It is quite simple, and I am sure the Minister will agree with what I say, but I think Rebuilding Ireland, unfortunately, will just be another dead end.

Deputy Eoghan Murphy: Eighty acres is a not insignificant amount of land, so I would like to hear more details of the matter after we have finished in the Dáil this evening. What I have seen so far since I began the review are ways in which the local authorities have been quite clever in using land, which is a very valuable asset and can be very expensive, to deliver things like co-operative housing models and affordable buy models for people. I have already referred to the example of Ballymun this evening and the great work that was done there by Ó Cualann and the local authority with financing support from AIB to deliver what will be 47 or 49 A2-rated family homes at affordable prices between, I think, €150,000 and €180,000, depending on the size of the house, the number of rooms, etc.

It is very important we, as a State, make sure we use our resources in the smartest way possible to get the best results for our people. To respond to a question from Deputy Cowen earlier about an affordable rental scheme, this is one of the reasons we decided not to opt for a subsidy model with the €10 million, which we then diverted into other areas, but rather to use land as leverage to get those affordable models in place. We are talking about a range of different measures. There is no one single measure. It is not just about building social houses; it is

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about affordable buy, affordable rent, co-operative housing and that whole mix of possibilities on a given site.

Question No. 11 replied to with Written Answers.

Homelessness Strategy

12. **Deputy Jan O’Sullivan** asked the Minister for Housing, Planning, Community and Local Government when he expects the target of taking all homeless families with children out of hotels except in exceptional circumstances to be met; the indicative length of time such families are expected to stay in family hubs; the arrangements made for children to get to school, after-school programmes and so on while they are in hubs; and if he will make a statement on the matter. [33377/17]

Deputy Jan O’Sullivan: My question is in a couple of parts. First, when does the Minister expect the target, which has not yet been met, to take families out of hotels to be met? Second, how long does he expect families in hubs will be there? I also ask him about arrangements for children getting to school and other activities.

Deputy Eoghan Murphy: As part of the response to the commitment contained in Rebuilding Ireland - Action Plan for Housing and Homelessness that, by mid-2017, hotels would only be used as emergency accommodation in exceptional circumstances, housing authorities are delivering a number of family-focused, supported temporary accommodation facilities, also called family hubs.

While this was an ambitious target, at the end of May over 830 homeless families had indeed exited commercial hotels and bed and breakfast accommodation since the publication of Rebuilding Ireland in July 2016 and 405 families had been prevented from entering them. While 647 homeless families were still being accommodated in such facilities at the end of May, all of these have been advised in writing of their pathway to alternative, more sustainable accommodation. My primary target now is to prevent homeless families from entering hotels and to find them more secure accommodation, including in family hubs.

Family hubs are an important first response for families who become homeless and who have no alternative other than commercial hotels. They are not a long-term housing solution but these custom-developed facilities offer family living arrangements with a greater level of stability than is possible in hotel accommodation, while the relevant housing authorities identify and secure move-on options to long-term independent living as quickly as possible. Furthermore, such arrangements will facilitate more co-ordinated needs assessment and support planning, including on-site access to required services, welfare, health, housing services, cooking and laundry facilities and appropriate family supports, such as the after-school programmes referred to by the Deputy.

For the 2016-17 school year, my Department provided funding to facilitate Leap cards being made available, via the family homelessness action teams, to all homeless families residing in commercial hotels in the Dublin region, allowing for free public transport for school journeys for school children and, where necessary, accompanying adults. My Department is considering the arrangements that will apply for homeless families accommodated in enhanced supported temporary accommodation and family hubs for the 2017-18 school year.

Deputy Jan O’Sullivan: The Minister said people were advised of pathways but will he follow up to ensure that those pathways deliver and that we do not find families still in hotels by the end of the summer?

I wish to concentrate on the hubs. Deputy Ó Broin referred earlier to the report yesterday from the Irish Human Rights and Equality Commission in which it specifically recommends that families should not be in hubs for longer than three months and makes a very strong family welfare case in this regard. Earlier today, I was at a conference organised by Senator Colette Kelleher at which we again heard about the effect on children of being in such situations, not having their own homes, not being able to bring their friends home and all the things that go with having a home. Will the Minister consider Emily Logan’s recommendation that families should not have to stay any longer than three months in hubs?

Deputy Eoghan Murphy: To clarify, the original target for moving homeless families out of hotels and bed and breakfast accommodation in Rebuilding Ireland always referred to exceptional circumstances. We must recognise that there are certain situations in which a family may have a particular need or difficulty that would require a tailored solution and we must be sensitive to those needs. Different families have different needs. We discussed this previously at a committee meeting at which I think Deputy Boyd Barrett said that in certain circumstances the hotel would be a better option than the hub. I fundamentally disagree with that. Hotels are an absolutely inappropriate place for a homeless family to have to live because they are not necessarily safe spaces for children at all. They do not have the kinds of facilities, such as play space, that children need and they do not have cooking or laundry facilities and also because a family living in a hotel could find themselves having to leave the very next day. We know this is happening because we know that families are presenting again the morning after each time. That is absolutely not what we need to do. The hubs are there as a response but, as I have said, they are a first response. They are not meant to be a permanent solution or a second solution. This is why we have the policy in place for the hubs that we have and why I hope very soon, because the new hubs are coming on stream, that new families presenting as homeless will not have to go into hotels or bed and breakfast accommodation.

Deputy Jan O’Sullivan: I am still concerned. The Minister said particular arrangements are needed for particular families that have particular difficulties but I want to ensure that he will track this and that these families will not still be in hotels when we come back here in the autumn. He said there are exceptional circumstances but leaving a family for a very long period, no matter what the exceptional circumstances are, in a hotel is not appropriate. I would like a more specific answer to this.

Second, last year, the Leap card arrangements for schools came into place much later than was intended. Can the Minister give us an assurance that this year homeless families will have their Leap cards, or whatever other arrangement is made, when the children go back to school in September?

Deputy Eoghan Murphy: I am afraid that when we come into September, some families will still be in hotels or bed and breakfast accommodation because of exceptional circumstances, which was signalled when the target was first put in place last year. They may have particular needs of which we must be very mindful, and for which we must find a tailored solution. I wish it were not the case but that is a situation we will have in September, unfortunately. The comments on the report from yesterday are welcome, as are the recommendations. Many of the recommendations are already in train, and when one has the opportunity to go to the Crosscare,

Mater Dei, facility one will see that in action.

On the issue of the Leap cards, my understanding is that an agreement has already been reached for the school year, so there should not be any delay in making sure that families have those by the beginning of the school term in September.

Water and Sewerage Schemes Status

13. **Deputy Aindrias Moynihan** asked the Minister for Housing, Planning, Community and Local Government if funding in addition to the NTICI measure 2 funds already committed to will be provided to Cork County Council in order to advance the Crossbarry sewerage scheme. [33119/17]

Deputy Aindrias Moynihan: I congratulate the Minister and wish him every success with the position.

This time last year, when the taking in charge initiative announced €180,000 funding for Crossbarry, there was a very real expectation that works would get under way and that the issue with the sewerage plant would be address. The situation in Cluain na Croise, Crossbarry, is replicated right across the country. There is a new estate with a treatment plant and the developer is gone. It needs to be upgraded as it is causing difficulty for residents. The idea of the pilot programme was that a solution would be put in place for Crossbarry but also that lessons would be learned for the future for many other estates around the country.

Minister of State at the Department of Housing, Planning, Community and Local Government (Deputy John Paul Phelan): The national taking-in-charge initiative, NTICI, for residential estates was launched in April 2016 to support and accelerate overall national action on the taking-in-charge process for housing estates, including estates with developer provided water services infrastructure. A specific focus of the initiative was to expedite progress by local authorities and relevant stakeholders, including Irish Water, in addressing a build-up of pending cases relating to housing developments not yet taken in charge.

Cork County Council was allocated funding under measure 2 of the initiative in relation to a number of proposed schemes to resolve developer provided water services infrastructure, including €90,000 towards estates in Crossbarry in County Cork.

A report on the 2016 NTICI programme is currently being finalised by my Department and it is intended to publish the report shortly. The report will include findings and recommendations on sustaining progress on the taking-in-charge issue, including in respect of the resolution of developer provided water services infrastructure in housing estates such as those in Crossbarry village.

Deputy Aindrias Moynihan: When the funds were allocated the expectation was that works would be carried out on the ground. A year on that has not happened, and we understand that the cost is now estimated to be much greater than what was originally thought and that further funding is going to be needed for it. When the initiative was put in place the idea was that the pilot scheme would inform an ongoing, year on year multi-annual programme. That needs to start providing funding now for the likes of Crossbarry, because the works have not been done, the sewers continue to block and residents are left in a distressed situation. This

situation is replicated right across the country in many other housing estates. Will there now be additional funding for the multi-annual programme that was envisaged when this pilot was put in place last year?

Deputy John Paul Phelan: The report is being finalised at the moment with recommendations about sustaining progress on the taking in charge issue, and Crossbarry will be included in that. In late 2015, there was a national survey of housing developments that were not taken in charge which indicated that there were 5,655 completed housing developments nationally which were not taken in charge by local authorities, and we are all familiar with different examples across the country of estates that were unfinished. This led to the launch of the national taking in charge initiative, which was a pilot scheme funded to the tune of €10 million of taxpayer's money. Seven local authorities were chosen for the pilot scheme, including Clare, Cork, Donegal, Galway, Kerry, Tipperary and Wexford. In total, 68 developments were submitted by the seven local authorities, and funding was provided for 44 of them initially. There were three steps involved. Some €5.5 million was provided for housing estates not containing developer-provided water services infrastructure. Another €3.5 million was made available for measure 2, which applied to similar estates, and €1 million was provided for measure 3, for technical assistance to advance knowledge for the delivery of the taking in charge process.

I will find out where Crossbarry stands. The Department is of the view that works are progressing. That might well mean that the works are at a planning stage rather than actual work on the ground, but if I discover further information I will pass it on to the Deputy.

Deputy Aindrias Moynihan: When those funds were allocated for the taking in charge initiative last year, there were several counties involved. Each of those have taken up their allocation and carried out physical works on the ground. Cork County Council and Crossbarry is the only one, I understand, which has not gone ahead with a build. Survey work was done and reports were presented on it, but aside from the surveys no physical work on the plant has taken place. That is where the focus needs to be. The plant needs to be upgraded to ensure the residents in Crossbarry have a reasonable quality of life and that they will not have trouble with blocked sewers.

Is the Minister of State in a position to put in place that multi-annual programme that was originally envisaged as part of the original taking in charge initiative? Will it be in place over the next couple of months so that Crossbarry and many other estates like it will be able to benefit from it?

Deputy John Paul Phelan: We are going to wait to see the report on how the pilot programmes worked first. It is estimated that the number of housing developments that are unfinished and not taken in charge with water services issues will mean a total cost of €300 million. That is a considerable amount of money and will have to be found somewhere to complete some of the sewerage schemes such as Crossbarry. The Department is clear that some works have taken place, and once the report on the review of progress is submitted, the case of Crossbarry will be pursued further to make sure that money is actually spent on the ground.

Approved Housing Bodies

14. **Deputy Eoin Ó Broin** asked the Minister for Housing, Planning, Community and Local Government the status of the ongoing discussions within his Department and the ABH sector

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on the forthcoming Housing (Regulation of Approved Housing Bodies) Bill 2015. [33144/17]

Deputy Eoin Ó Broin: I am looking for an update on the ongoing discussions between Department officials and the approved housing bodies in terms of the forthcoming regulations for the future of the approved housing body sector.

Deputy Eoghan Murphy: The Rebuilding Ireland Action Plan for Housing and Homelessness recognises the key contribution that approved housing bodies, AHBs, make to the delivery of social housing. It is estimated that AHBs have the capacity to contribute around a third of the new social housing units that are currently targeted over the period to 2021.

The housing delivery capacity of AHBs will need to expand greatly and they will require significantly increased external investment. AHBs that have statutorily regulated standards of governance and management capacity will be better able to access private or loan finance.

The proposed Housing (Regulation of Approved Housing Bodies) Bill and the underlying policy, which was formulated in consultation with the sector, intends to establish a regulator to oversee the effective governance, financial management and performance of voluntary and co-operative housing bodies. The Bill aims to safeguard public and private investment in the social housing provision sector, to rationalise and enable increased supply from the voluntary and co-operative housing sector and to ensure that the assets built through investments in the sector are managed sustainably. The statutory regulatory framework will provide further assurances to investors, tenants, the Government and to the sector itself that social housing providers operate in a well-regulated and stable environment.

My Department is working with the Office of the Parliamentary Counsel to finalise the text of the Bill for publication as soon as possible. I had hoped that the Bill would be published during this current Dáil session. However, the complex nature of some of the issues related to transitioning from voluntary to statutory regulation has required additional time. Notwithstanding this, I expect the Bill to be published in time for early consideration in the autumn Oireachtas session. Until such time as the legislation is enacted and the statutory system of regulation is put in place, the interim regulatory arrangements in operation since 2014 will remain in place.

Deputy Eoin Ó Broin: This is legislation which most in this House will welcome, and we will certainly collaborate with the Minister to ensure the regulation is fit for purpose. There are three concerns I want to flag at this stage. One is the fact there is very significant variance in the size and capacity of the approved housing bodies in the sector. While greater regulation is going to be needed for the tier 3 approved housing bodies, particularly because they will be carrying the extra burden of unit delivery, it is important that we do not squeeze out the small, local tier 1, and bottom end of tier 2, bodies which have units, are not looking to expand and need to be encouraged and supported to continue to do what they are doing.

The second issue arises in the context of the EUROSTAT and Central Statistics Office, CSO, review of the status of the approved housing bodies. One of the issues that caused real difficulty and eventually forced approved housing bodies on balance sheet across the water was a view of too much Government control of the sector. While the review taking place of our approved housing body sector is on the basis of the current regulations I would urge the Minister to be cautious about following the heavy-handed regulatory approach in Britain that has caused such difficulty for the designation.

Finally, there is a need to ensure the increased level of financial risk that those tier 3 ap-

proved housing bodies are being expected to take on, a result of the increased stock, and low in finance, is adequately provided for in the regulations.

Deputy Eoghan Murphy: I spoke at the recent annual general meeting in the Ashling Hotel about making sure that as we move forward with this new regulation we do so in a way that is mindful of the different sizes and capacities of the housing bodies. I absolutely want to see how we can get some of the large tier 3 housing bodies, with 300 units more, to increase their ambitions and scale. I am not sure whether that would require amalgamations. We might have to bring in a housing body from abroad that has more experience of working on a bigger scale such as those in the United Kingdom to help.

I completely take the Deputy's point about the good work being done by the tier 1 and 2 housing bodies that are dealing with few units but with people who have very particular needs. We want to make sure they can continue to deliver their supports. I also take the Deputy's point about making sure the regulation is not going too hard as the UK regulatory system did. We are considering other models.

Following meetings with the Housing Finance Agency, the Housing Agency and others I know there is a need to leverage more finance into this sector. We can only do that with appropriate regulations but we can only do that in a way that will not undermine these housing bodies in the long term.

Deputy Eoin Ó Broin: I fully support all of those sentiments. In respect of the level of risk that they will increasingly carry, there is a need to ensure there is a good solid, off-balance sheet vehicle through which credit union or private finance can deliver increased approved housing body units. That would be one mechanism to protect them against some of that risk. Given the difficulties that the approved housing body sector has had through the redesignation process in Britain, if such a redesignation were to take place here that would have a very significant impact not just on the sector but on the targets for the delivery of units within the Government's current plan. Any new borrowing by the approved housing body sector would be on-balance sheet and have an impact on the expenditure ceilings and cause real difficulty for us. I am not against regulation. Good quality, strong regulation is needed and I support the Minister in that but I ask him to be mindful of the line that Britain crossed and that it is really important we do not cross it here.

Deputy Eoghan Murphy: I am aware of that risk and it is important that the Deputy recognises and raises it again because we will have to keep it in mind as we approach this in September. I hope we can move quickly with this legislation because it is very important.

Getting off-balance sheet financing or finding other financing vehicles, for example, private money, pension funds, or credit union funding are options that are being explored. A couple of suggestions have already been put to the European Investment Bank, EIB, as well. We can find the financing solutions. The responsibility we will have in bringing the legislation through will be to put those safeguards in the regulations to make sure we do so in the right way.

Social and Affordable Housing Eligibility

15. **Deputy Brendan Smith** asked the Minister for Housing, Planning, Community and Local Government his plans to improve the income eligibility limits for social housing; and if he

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will make a statement on the matter. [33117/17]

21. **Deputy Brendan Smith** asked the Minister for Housing, Planning, Community and Local Government if a review of income eligibility limits for social housing has been carried out; if so, the outcome of same; and if he will make a statement on the matter. [33118/17]

Deputy Brendan Smith: I raised with the Minister's predecessor, through oral and written questions, the urgent need to improve the income eligibility limits for social housing in Cavan and Monaghan. As the Minister is aware there are different zones throughout the country and Cavan-Monaghan has a very low income limit. Every week people come to my clinics who are on low incomes but are denied the opportunity to go on the social housing list. These people have no chance whatsoever of getting a loan to purchase or build their own homes. I asked the Minister and was informed that a review would be carried out. What was the outcome of that review and what proposals does the Minister have to make the income limit realistic for people in the Cavan-Monaghan area? There are probably similar problems in other parts of the country.

(Deputy Eoghan Murphy): I propose to take Questions Nos. 15 and 21 together.

The Social Housing Assessment Regulations 2011 prescribe maximum net income limits for each housing authority, in different bands according to the area, with income being defined and assessed according to a standard household means policy.

It should be noted that the income bands and the authority area assigned to each band are based on an assessment of the income needed to provide for a household's basic needs, plus a comparative analysis of the local rental cost of housing accommodation across the country. The limits also reflect a blanket increase of €5,000 introduced, prior to the new system coming into operation, in order to broaden the base from which social housing tenants are drawn and thereby promote sustainable communities. This increase also had the effect of future-proofing the income limits to a certain extent.

Given the cost to the State of providing social housing, it is considered prudent and fair to direct resources to those most in need of social housing support. The current income eligibility requirements generally achieve this, providing for a fair and equitable system of identifying those households facing the greatest challenge in meeting their accommodation needs from their own resources. As part of the broader social housing reform agenda, a review of the income eligibility limits for social housing supports is scheduled to commence later this year.

Deputy Brendan Smith: I thank the Minister for the reply but it is basically the same as the reply I got several months ago. The review was to take place much earlier than "later this year". Will the Minister ask his officials to review this? Officials from Cavan County Council have spoken to officials in the Department.

I can cite a few cases I know of. A young lady came to me. She is a lone parent with three children, two at second level school and one at primary level. She works in a factory, in a low-paid job. She is on the family income supplement, FIS. She cannot qualify for social housing. By definition the fact that she is on FIS means that her income is not sustainable to support her family. How could she get a loan in her own right on an income that is not sustainable? The Minister is new to the job but will he ask his officials to try to bring some equity into this system? He said it is an "equitable" system. It is not equitable. I cited another case the last time I spoke to the Minister's predecessor, Deputy Coveney, of a young apprentice fitter and

his partner, who had lost her job and is on jobseeker's allowance, and who have a child but do not qualify for social housing.

Mention was made earlier of the good history of social housing in this country and the good mix of people in communities where social housing was the predominant vehicle for providing housing but there will not be people in employment in social housing in the future if we continue the present policy. That would be disastrous for communities.

Deputy Eoghan Murphy: I apologise that the review has not yet commenced but it will commence later this year and we will get that done as a priority for exactly the points the Deputy makes about the circumstances facing his constituents in respect of eligibility for social housing or other supports they might need. This review will be important but we are also reviewing other measures in place, for example, the home choice loan for first-time buyers that people can avail of from their local authority, and the local authority mortgage scheme. We need to make sure that people can afford to live, without paying a disproportionate part of their income on their rent. We will consider the eligibility criteria for social housing to see what exactly may need to be done in that area.

In respect of the new schemes we are bringing on line, we are considering ways to find an affordable buy model that will work in other parts of the country. It is already working in Ballymun, where a housing cooperative works with the local authority and AIB. Ó Cualann helps deliver that. We are also considering affordable rental models. This all has to be part of the picture, including the review that will happen later this year.

Deputy Brendan Smith: I ask the Minister not to have a long-term review. He should get his officials to speak to good officials in the housing sections in local authorities. They know the difficulties that arise every day. I know from speaking to officials in my local authorities that they are refusing people the opportunity to join the social housing list but they know these people have no chance of getting a mortgage or a loan to buy their own premises or build their own house. This situation needs to be addressed and a review should be very short. Perhaps Cavan-Monaghan has particularly low income eligibility limits. If the Minister could ask his officials to ask about the Cavan-Monaghan situation I hope we could get the income limits increased. There is a need to do this. The people involved in the cases I have cited are being denied a right to even be considered for social housing. I appeal to the Minister to deal with it urgently.

Deputy Eoghan Murphy: The Deputy is right that the knowledge is there and the review can be targeted and can use the resources and knowledge that is already there. The figures in respect of the bands that are already there show that Cavan-Monaghan is lower than Dublin city, for example. Obviously, there would be a reason for that. If we were to move the band in one area it would have an impact across the whole country. We must bear this in mind as we do the review. I have committed to doing the review and we will do it as quickly as we can.

Deputy Eoin Ó Broin: I urge the Minister to consider two other issues in the review.

The first is that, traditionally, local authorities were able to apply a certain level of flexibility for households that were just above the income threshold at their existing limits. In the housing needs assessment guidance note from the Department that was issued to local authorities last year, they were told to no longer apply that flexibility. A family could, for example, be €500 a year over the threshold and would be excluded from the list.

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The second issue relates to family income supplement, FIS. This payment is made because the State recognises that household earns an income that is too low to sustain itself. Local authorities do not include FIS or carer's allowance in their assessment of the rent so it makes no sense that they would take FIS or carer's allowance into account for the assessment for social housing in the first instance. Whatever about the bands, and I have a second opinion to Deputy Smith on that, I strongly urge the Minister to remove FIS and the carer's allowance from the housing needs assessment. This would mean that anybody who is in receipt of FIS would not have the FIS payment used against them for the purposes of being deemed eligible for social housing. That would equally solve the problem for some of the constituents that Deputy Brendan Smith has spoken of.

Deputy Eoghan Murphy: I thank Deputy Ó Broin. I will consider that in so far as flexibility has changed the situation for households that might find themselves just above a threshold. Even though it might only be €500 in a year, it is not an inconsequential amount and in the scheme of things it makes a difference. I am not against flexibility in Government programmes and schemes as long as they are not open to abuse or attempted abuse by elected representatives who try to do something where they should not. We shall review this later in the year and I hope to come back as quickly as possible to the Deputies on the outcome of that review when it is completed.

Written Answers follow Adjournment.

Topical Issue Debate

Hospital Investigations

Deputy Jack Chambers: I raise a matter of public importance, which is the need for the Minister for Health to establish an independent inquiry into the death of Malak Thawley in the National Maternity Hospital, Holles Street on the 8 May 2016. Representatives of the family have requested that I bring this emotional and personal matter to the floor of the Dáil.

Malak Thawley, who was living in Blackrock, was a 35 year old teacher who was expecting her first child with her husband Alan. An ectopic pregnancy was diagnosed at seven weeks and she required urgent surgery in the National Maternity Hospital. After surgery commenced, the abdominal aorta was torn by a bladed trocar. It took 55 minutes to identify this while an acute vascular haemorrhage was occurring on the theatre table.

A series of catastrophic and shocking errors then occurred. The consequence of these and the failure to follow basic protocol resulted in the death of Malak Thawley by medical misadventure as outlined by the verdict of the coroner. The significant cause of concern for the family, and for the public, is the contradictory evidence and information from the internal hospital inquiry and the facts as established by the coroner.

The hospital conducted an internal review of this tragic death by medical misadventure but

following on from the considered and probative questions the family feels that crucial, vital and extremely revealing new facts, events and incidents have only now come to light. The family sees the internal hospital review as a shambolic attempt to hide crucial facts and salvage reputations. For public confidence, trust and transparency where serious adverse incidents occur we cannot allow hospitals to investigate themselves in this way.

There are a number of questions that illustrate the complete contradiction of evidence between the public coroner process and the internal review. Why did Mr. Thawley have to find out through a public forum that there was no blood in the lab, not enough blood in theatre and that his wife's blood group was not cross matched? Why was there not enough staff to ensure basic functions such as having a laparotomy kit ready? Why were only junior staff available to treat Malak as she was dying? Why was there no supervision, no co-ordination and no accountability? Why was there a complete and total breakdown of communication at all levels? Why were staff not experienced in all forms of laparoscopy technique? Why did the hospital choose not to explain the difference between bladed and unbladed trocars in its internal investigation? Why was it never explained to Mr. Thawley that there was a recognised safer option of using the unbladed trocar? Why and how could it be that there was no consultant on site in the event of an emergency? Why did senior members of staff have their phones switched off or on silent? Why was it that ice for lifesaving cooling treatment had to be obtained from a nearby pub and why was this not explained clearly in the internal report? Why was there a lack of adrenaline available? Why did a Garda escort have to be arranged to procure other medical devices from another hospital? Why was there contradictory evidence provided by witnesses at the coroner's inquest?

Some of the Minister's remarks in his correspondence to the family have disappointed them and while they acknowledge the Minister's expression of regret and sympathies, as the Minister for Health his correspondence referenced the future changes and the proposed move of the National Maternity Hospital to the St. Vincent's Hospital site. In the family's view this is completely irrelevant to Malak's case. In his correspondence the Minister stated to the family "perhaps the inquest into the late Mrs. Thawleys tragic death and the investigation in the hospital have indeed established what went wrong". The family interpret these remarks as completely insufficient and an implication that the inquest may be the end to the matter. This will not address the internal hospital systemic failures, accountability, full disclosure, transparency and what can be learned to prevent similar tragedies in the future.

The family has two specific and direct requests of the Minister. The first request is for the Minister to meet with them. What is the delay to that happening? The second request is that the family want to be able to tell the Minister why they believe that an independent inquiry is absolutely necessary. The family want to tell the Minister directly. Will the Minister agree to establish a public inquiry in the interests of a maternal hospital system and in the interests of this very tragic case?

Minister for Health (Deputy Simon Harris): I thank Deputy Chambers sincerely for raising this issue and giving me the opportunity to again convey my sympathies to the family of the late Malak Thawley. While, of course, the death of any young person in Ireland is terribly sad, this is a particularly tragic case, as outlined by Deputy Chambers.

I understand that an inquest into Mrs. Thawley's death took place recently and a verdict of medical misadventure was returned. Separately, the National Maternity Hospital has undertaken its own review of the case and in accordance with their clinical governance procedures. I

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also understand that the National Maternity Hospital has apologised unreservedly for the very significant shortcomings in the care of Malak Thawley.

I am aware that Mr. Thawley has requested an independent investigation into the circumstances of his beloved wife's death. I assure Deputy Chambers this evening, and more important assure the Thawley family, that I am considering that request with the seriousness it rightly deserves. I shall set out to the House a number of decisions I have now made on foot of that request in order to ensure that I am fully informed and actions that I have communicated to Mr. Thawley through his solicitors earlier today.

I have asked Dr. Peter McKenna, the former master of the Rotunda Hospital, a very experienced obstetrician and the clinical lead of the newly established national women and infants programme, and his team to examine both the coroner's report and the National Maternity Hospital report, and to provide me with a view on the appropriateness of the clinical reviews which have been undertaken to date. I believe this is the appropriate thing to do, based on Deputy Chambers's outlining of the family's concerns around the internal hospital review. Dr. Peter McKenna, the clinical lead of the newly established national women and infants programme, and who has also had a very long and distinguished career as the master of a maternity hospital, will carry out the review and will report back to me on the appropriateness of the clinical reviews undertaken to date and any potential shortcomings in them.

11 o'clock

I have also asked the national director of quality assurance and verification, Mr. Patrick Lynch, to examine how the National Maternity Hospital conducted the investigation into Mrs. Thawley's death. I want to be assured that the review methodology was appropriate and that the review was undertaken in line with best practice. If that is not the case, I want to be advised as to what steps to next take. When these reports are to hand, I will be in a position to make a definitive decision. However, this evening I would like Mr. Thawley and this House to be assured that I have asked that these reports be completed without delay.

My Department takes very seriously the need to improve patient safety and, specifically, the need to improve the management of incidents. I have directed the newly established National Patient Safety Office to lead this work through new legislation, policy development and the development of a patient safety surveillance system. I should also mention that I have recently approved new HIQA standards on the conduct of reviews of patient safety incidents which will be launched shortly. These standards form part of a number of initiatives to improve the management of patient safety incidents. I am firmly of the view that we can make the system safer by listening and learning from incidents in tandem with ensuring that the patient and family are both informed and cared for by the system throughout. I can absolutely assure the House this evening that any lessons from Mrs. Thawley's tragic death will be disseminated nationally by the national women and infants health programme.

In terms of the Deputy's first question, I have no difficulty meeting Mr. Thawley. However, as I outlined in my correspondence to his representative today, I still believe that there would be significant benefit in his meeting Dr. Peter McKenna, who is the clinical lead of the programme, a former master of another maternal hospital and the man that I have charged with reviewing this case and reporting to me. My aim is the same as the Deputy's aim and everyone else's aim, which is that Mr. Thawley would know the facts. I am happy to meet Mr. Thawley but suggest a meeting with Dr. McKenna first could be beneficial to him.

Deputy Jack Chambers: I welcome the Minister's final remarks but I think he should meet Mr. Thawley now. The family have asked it directly. They have gone through quite a traumatic experience with the hospital and in the Coroner's Court, where the evidence presented was completely contradictory to the internal hospital review. This raises serious questions. It was not any type of clinical review. We now know that a lot of the facts that the hospital claimed to have been established were inconsistent, incomplete, inaccurate, misleading and selective. Some of the recommendations from the report are meaningless because the facts as established in the Coroner's Court are different. For example, the internal review gave no recommendation about the issue with the ice that was aired in the Coroner's Court. This was one of the most descriptive and shocking developments in the Coroner's Court.

The Minister needs to listen to the family. They have been very direct about their request for a meeting with the Minister in order to outline why they believe an independent inquiry is absolutely necessary. They do not want any distraction or diversion by way of another meeting. The Minister should agree to meet them so that we can progress the matter. They have requested it repeatedly. They have serious concerns about this whole issue over the past number of months. That we have two seriously contradictory outlines of the elements and facts illustrates why the Minister needs to meet the family and why he needs to establish an independent inquiry. We cannot see that delayed by another process. While he might have a parallel process in train, the Minister should agree to meet Mr. Thawley and hear the serious concerns of the family.

These are concerns that might cause ripples through other aspects of our hospital system. This is one of the tertiary maternal hospitals. It had no ice. I do not have time to go through the detail of the internal report but it is absolutely shocking. This requires the full attention of the Oireachtas and this House. An independent inquiry is absolutely necessary, once the Minister has met the family. They are two simple requests. Will the Minister agree to the meeting?

Deputy Simon Harris: I have given a very clear response to both of those requests. I have no difficulty meeting Mr. Thawley. I have said that clearly. However, I believe there is an advantage in Mr. Thawley also meeting the clinical lead of the national women and infants health programme. This is an eminent man with significant clinical experience in obstetrics. I have charged him, as the clinical lead of our national women and infants health programme, with carrying out a review of the processes that have taken place to date in order to advise me on additional steps. I consider that to be the appropriate approach for anyone holding the office that I hold, in addition to asking Mr. Lynch, who has a patient safety and quality role within the HSE, to look at how the National Maternity Hospital dealt with its own internal review of the situation. Within days of hearing Mr. Thawley publicly seeking further investigation into his wife's tragic death, I made requests of Dr. Peter McKenna and Mr. Patrick Lynch. I do not have a difficulty with meeting Mr. Thawley and do not wish to be interpreted in any way as having one. If he finds benefit in it, I have no difficulty with it. However, in an effort to help Mr. Thawley, I would hope that he and his family would engage with Dr. McKenna and his team.

As the Deputy mentioned it, and I am glad he did, I have heard from Mr. Thawley's representative on the issue of the co-location of a national maternity hospital. I do not wish in any way to conflate those issues. In fact, when I made my public comments in that regard, I said I was not commenting on an individual case. I was making the broader point that, in terms of our maternity services, it makes clinical sense to have them co-located with acute adult hospitals for times when medical care is needed. I do not make that point in any way in relation to this specific case. I very much take Mr. Thawley's request on board in that regard.

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Again, I extend my sincere sympathy to Mr. Thawley and his family on the tragic loss of Malak Thawley. I am happy to meet Mr. Thawley. We just need to work out, in his interest, the optimum way for it to happen. All of our interests are in helping to establish all of the facts that Mr. Thawley wishes to obtain.

Hospital Procedures

Deputy Mary Butler: As the Minister is well aware, the issue of 24/7 cardiac care and the provision of a second cath lab at University Hospital Waterford is one that has been raised on numerous occasions in this the Thirty-second Dáil by me and my colleagues, both cross-party and those of none. Notwithstanding the numerous representations on this issue, the current situation in University Hospital Waterford remains the same. Cardiac services in the hospital are time sensitive, opening Monday to Friday, 9 a.m. to 5 p.m., and being closed all day Saturday and Sunday. It is simply not acceptable that time restrictions play such a role in the day to day lives of the people of the south east. If a patient presents as requiring cardiac intervention services outside these times, the only option is an ambulance to Cork University Hospital or St. James's Hospital in Dublin. Recently, the death of Mr. Thomas Power brought into sharp focus the absolute single point of failure of the current service, the difficulty with the road network to Cork University Hospital and arriving there within the required 90 minutes and the capacity demand mismatch of the current opening hours.

On Tuesday of this week, after a frantic few days working with Deputy Cullinane to ensure the wording was correct, a motion was tabled in the Dáil. It was signed by all the Deputies of Fianna Fáil, Sinn Féin, the Labour Party, the Green Party and the Rural Alliance as well as Deputies Mick Wallace and Clare Daly. I thank each and every one of those who supported the motion. It has shown that we can work together. We may have different political ideologies, but this has to transcend politics because people's lives are at stake. As I said, the Power family recently lost a son, a brother, a husband and a soon-to-be dad.

The motion calls on the Government to immediately initiate a second independent review into the provision of cardiac care in the south east. The motion also calls on the Minister to commence its work within six weeks of the passing of the motion. Due to Dáil time restrictions and regulations this week, it was not possible to hear the motion. The motion was forwarded to the Minister and a meeting requested. As a result, we met the Minister, Deputy Harris, and officials from the Department of Health this evening at 6 p.m. All Waterford Oireachtas Members were invited to attend and those present were the Minister of State, Deputy Halligan, Deputy Cullinane, Senator Coffey and me. Senator Grace O'Sullivan was represented at the meeting.

This cross-party meeting was very constructive. This was not about politics. Rather, we were all working together, sitting around a table, trying to find a way forward, a clear pathway, a sign-post as to how we could move on the issue. This was a frank, open meeting and all those present outlined the pressing need for the review to commence as speedily as possible. We impressed on the Minister the need for urgent and speedy action. We pointed out what we consider to be the failings with the current system, the depth of feelings in Waterford and the south east and the absolute necessity for immediate movement. We all detected a step change with the Minister and his officials and a greater understanding of the issues being experienced in the south east. We all understand that this service can only be delivered based on clear medical and clinical need and, unfortunately, the Herity report did not show this to be the case.

I welcome the Minister's decision tonight to expedite a national review of all primary PCI services, encompassing the south-east region. I look forward to the statement he will make to the House.

Deputy Simon Harris: I thank Deputy Butler for tabling this important Topical Issue. Her summation of our meeting this evening is accurate and I agree with it. First, I once more extend my sincere sympathy to the family of Mr. Power and to his community on his tragic loss. As I said previously, I expect that all appropriate procedures will be carried out to ensure the facts and information that are extraordinarily important in this case, including to the Power family, are made known to the family.

I welcome the opportunity to update the House on the provision of cardiac care in the south east. I thank Deputies Butler and Cullinane, Senator Coffey, the Minister of State at the Department of Education and Skills, Deputy Halligan, and Deputy Catherine Martin, on behalf of Senator Grace O'Sullivan, for attending our earlier meeting which I believe was very constructive. I note the apologies of Deputy Deasy, whom I have briefed on it. I also acknowledge the interest of Members of the Oireachtas from the south east in general, including the Minister of State at the Department of Housing, Planning, Community and Local Government, Deputy John Paul Phelan. I have significant respect and admiration for the way Members of the Oireachtas in Waterford and the south east are working on a cross-party basis and in a constructive manner to try to find a way forward.

On foot of the meeting and in light of the cross-party motion, I am pleased to confirm that I have agreed to expedite a national review of all primary PCI services, encompassing the south-east region. I issued a statement to that effect this evening. My Department will immediately commence the preparatory work on examining the scope of the review, including identifying an international expert. It is important to have an international expert. The guiding principles for this review will be to strive to provide a primary PCI service that can deliver clinical outcomes on a par with international standards, something to which we all subscribe. I wish to be clear this does not affect the additional resources I have already committed to provide to University Hospital Waterford, the commitment to review the impact of extended hours at the existing catheterisation laboratory, and the deployment of a mobile catheterisation laboratory, which will arrive in Waterford in the autumn.

As I have previously confirmed, the HSE national service plan for 2017 provided additional funding of €500,000 and, as part of that expenditure, the HSE is currently in the process of procuring a temporary mobile catheterisation laboratory at University Hospital Waterford which will contribute, on an interim basis, to the further reduction in elective cardiology waiting lists at that hospital. The organisation of primary PCI services is an issue for the entire country, as we discussed at our meeting. I accept it is an extraordinarily emotive and important issue in the south east, but there are also other parts of the country that have concerns and views about this. It must relate to how we provide services to the entire population taking account of the best independent clinical evidence available. The review will encompass all areas of the country, including the south east, and will seek to ensure that as many patients as possible have access on a 24-7 basis to safe and sustainable emergency interventions following a heart attack.

My Department will begin the preparatory work, which will include identifying an international expert and scoping the terms of reference. I intend to engage further with Members of the Oireachtas from Waterford and the south east in the coming weeks and certainly by early September to plan a way forward to ensure there is a robust process that will examine all parts

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of the country and the distribution of our primary PCI services. Ultimately, every Member of the Oireachtas and all parties wish to arrive at a point where the maximum number of citizens have access to 24-7 primary PCI services. Again, I thank the Deputies and Senators from Waterford and the south east for the constructive manner in which they have engaged this week. It has been useful and helpful and I hope we can progress along the lines I have outlined.

Deputy Mary Butler: I welcome the Minister's statement. I also welcome the fact that following today's meeting we have moved much quicker to what we hoped to achieve by pressing the motion in September after the recess. The Minister stated that the review will seek to ensure that as many patients as possible have access on a 24-7 basis to safe and sustainable emergency interventions following a heart attack. The review will encompass all regions of the country, including the south east.

The Minister said his Department will immediately commence the preparatory work, including identifying an international expert and examining the scope of the review. Time is of the essence so it is essential that the preparatory work commences immediately and that no day is wasted. The terms of reference will be extremely important and I welcome that an international expert will undertake the review. The guiding principle for the review will be to strive to provide a primary PCI service that can deliver clinical outcomes on a par with international standards. This service can only be delivered on clinical and medical outcomes and the consultants in Waterford and the south east recognise that fact.

I also welcome that the review does not impact the additional resources provided to University Hospital Waterford, the extension of the eight hours opening time, for which staff are currently being recruited, and the commitment to the deployment of a mobile catheterisation laboratory which will deal with 460 people who are currently waiting for services. I also wish to refer to the Minister's previous commitment to a stand-alone regional review. We understand that this might be superseded in the event of a favourable recommendation following the national review.

This is a stepping stone. We have a long way to go. I respect what the Minister has achieved tonight and I look forward to engaging again with him and the other Members of the Oireachtas from the south east and Waterford. It is imperative that we work together. The outcome must deliver 24-7 cardiac care for the people of Waterford and the south east. Our voices will continue to be heard as we work together in a constructive manner.

Deputy Simon Harris: I thank Deputy Butler for her fair and constructive remarks. I also thank her and all the Members of the Oireachtas from Waterford for not playing politics with an issue that we all agree is far more important than party politics. It is about showing that people can work together, regardless of party affiliation, to try to move forward in a constructive way. Deputy Butler spoke about the importance of clinical and medical evidence. That is important because we can only design a health service on that basis, not political decision making. For that reason, all parties in the House subscribing to the idea of a national review with an independent international expert and clear terms of reference is very important. It is important to have an international expert as that will add significantly to the national review.

To be absolutely clear, the additional resources which I have already announced for University Hospital Waterford will remain in place. There is a benefit to that in the immediate term through additional opening hours, extra staff, more procedures being carried out and the mobile catheterisation laboratory ensuring that elective procedure waiting times in the south east

can be driven down further. We have made some progress on that in recent months and more will be made with the mobile catheterisation laboratory. I will continue to engage with my colleagues from the south east as we move towards the establishment of this national review, which hopefully will benefit all our citizens in all the regions as we try to plan the best possible primary PCI services to deliver standards that we can all be proud of and that are internationally benchmarked.

Postal Services

Deputy Sean Fleming: I wish to raise the future of the Portlaoise mail centre. It is a major hub for An Post in the midland region that deals with a large volume of mail every night. I hope this will be a useful and positive debate at this late hour. I also hope the Minister will be able to confirm that all is well and in order and that Portlaoise mail centre will be secure into the future. As we debate this tonight, the Portlaoise mail centre is processing up to 450,000 mail items in addition to approximately 28,000 parcels. It is one of the busiest mail centres in the country. It is the largest post hub outside Dublin and the national hub for processing all international parcels arriving in the country. The mail centre has a customs service presence which means that high security measures are in place to detect illicit items that could arrive in the country by parcel post for onward distribution. The unit in Portlaoise is very active in conjunction with the customs service.

We must all recognise that the decline in mail volumes has placed postal services under pressure and that An Post must adapt to meet the future needs of its customers. The recent initiative whereby parcels will be delivered in the evening and on Saturdays is a great response to customer demands.

I understand An Post commissioned a report from McKinsey & Company which did not make any negative finding in respect of the Portlaoise mail centre and did not recommend scaling down or closing the centre. While there may be excess capacity in the country generally, its strategic geographical location makes Portlaoise mail centre a central hub in the network. The centre needs to be maintained for a variety of reasons. Few areas of the country cannot be reached by road within two hours from Portlaoise. I am sure I will meet one or two mail trucks on the road from Dublin to Portlaoise tonight. As a result, substantial sorting and onward distribution will take place at the Portlaoise hub during the course of the night. We all remember the mail trains which have been replaced by trucks because the improved road network makes it more efficient and faster to move mail from Dublin to Cork, Limerick, Galway or Sligo by road at night.

I ask the Minister to express his views on the future of the An Post mail centre in Portlaoise. I believe it has a great future as it is in an excellent strategic location. It should be developed and strengthened. I compliment An Post on taking a proactive approach to the future role of its distribution centres. The Portlaoise mail centre should be an example for all others to follow.

I recently met representatives of the Communications Workers Union who I understand met other Deputies from the area. I hope and expect the Minister will confirm that he had a positive discussion about this matter with my constituency colleague, the Minister for Justice and Equality, Deputy Charlie Flanagan, who I understand has been in direct contact with the Minister or An Post management. I look forward to hearing the Minister's response on the matter.

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Minister for Communications, Climate Action and Environment (Deputy Denis Naughten): I thank the Deputy for raising this matter and welcome the opportunity to outline the position on it. The Deputy is correct that the Minister for Justice and Equality, Deputy Charlie Flanagan, has spoken to me about it.

As Minister for Communications, Climate Action and Environment, I have responsibility for the postal sector, including the governance of An Post to ensure the company is fully compliant with the code of practice for the governance of State bodies and the governance functions included in the statutory framework underpinning An Post. Day-to-day operational matters, including decisions on the restructuring of An Post and the operation of the post office and mail centre networks, are for the board and management of the company; they are not ones in which I have a statutory function. Nevertheless, as a Minister and public representative, I am acutely aware of the impact any issue relating to An Post operations has on communities, both rural and urban.

It is Government policy that An Post remain a strong, viable company in a position to provide a high quality, nationwide postal service and that it maintain a nationwide customer focused network of post offices in the community. However, the postal sector as a whole is undergoing systemic change as a result of the growth of the digital economy. The continuing decline in mail volumes, combined with the ongoing impact of e-substitution on retail businesses transacted through the post office network, is a significant challenge for the company and has an impact on its financial well-being.

An Post is operating in a challenging environment and facing an extremely difficult financial position. The company published its annual report and financial statements for 2016 and recorded an operating loss of €13.7 million for that year. Clearly, this is a very significant loss and losses of this scale cannot be sustained. An Post, assisted by McKinsey, is carrying out a fundamental review of the company, with a view to identifying the strategic changes and restructuring necessary to maintain it on a sound financial footing. As the process is nearing completion, speculation at this stage on the future of any part of the national mails network is premature until the full analysis is complete.

I have spoken to many of the staff at the Athlone mail centre, many of whom are my constituents. I am fully aware, therefore, of concerns about the future outlook for the mail centre network. Transforming the postal business will be difficult and will require tough decisions, but the new changes will be designed to make An Post fit for a future in which the organisation can be confident, robust and a winner in the digital world. Government policy is to offer Government services online. In time, it is likely that this will represent the default option in accessing services. For the foreseeable future, however, a segment of the population will not be comfortable or able to access services digitally. The post office network is the obvious choice for citizens as the offline gateway, with its nationwide network and existing strong relationship with offline citizens.

The post office network can play a role in simplifying back office functions to facilitate better and more efficient processes. In relation to the parcels market, this week An Post launched its new worldwide open advertising campaign aimed at its e-commerce parcels business. The company aims to grow its current 25% share of the parcel deliveries market by making it easier for consumers to trade goods. Owing to the growth of online shopping, the volume of parcel traffic through the mail centres is increasing.

I am closely monitoring the position and hope a pragmatic approach that will ensure the long-term sustainability of An Post and the post office and mail centre networks can be agreed to. The Oireachtas will be briefed once a definitive strategy has been agreed for the company. Until that time, however, it would not be appropriate for me to comment further on the process.

Deputy Sean Fleming: I thank the Minister for his reply and acknowledge that he has come to the House to outline the position on An Post. We all understand the company is in a serious position, with a decline in activity, especially in the area to which the Minister referred. I am a little concerned by his comment that Government policy is to offer services online and that this is likely to be the default option. He stated that in the meantime An Post will have an important role to play as an offline gateway. He has sounded the death knell for the company by stating it will have a temporary role. He is effectively saying the moment broadband is rolled out, the need for An Post services will be substantially diminished. This is a negative view of the company's future. Essentially, according to the Minister, An Post will become redundant if everyone can do his or her business online. He must take a much more imaginative approach to the future development of the company. He has adopted a traditional way of looking at the company, which is not one that would allow a modern business to succeed. I hope An Post is not planning to fail because, if so, it most surely will. If that is the policy the company has in mind, the Minister's role is to shake that idea out of management heads and ensure they will think of the services the company will provide in the decades ahead, rather than bemoaning current changes.

While the Portlaoise mail centre is a national hub for onward distribution to all other major locations, it also deals with local mail deliveries. It covers counties Laois, Offaly, Kildare, Kilkenny, Carlow, Wexford and Tipperary and parts of counties Wicklow and Waterford. It is responsible for a large amount of local distributions, in addition to its onward distribution activities. As I stated, it is responsible for distributing approximately 18,000 parcels nationwide every night, including 5,000 in the catchment area I set out.

The Minister will appreciate, given his reference to the Athlone centre, that the Portlaoise mail centre is a great employer in the region. Some 200 people work in it, including approximately 50 who work in the parcels section which must be a growth area, given the current discussion about increased online shopping. There are couriers delivering-----

An Leas-Cheann Comhairle: The Deputy has exceeded his time. The Minister to conclude.

Deputy Sean Fleming: I will conclude. I thank the Leas-Cheann Comhairle for that.

An Leas-Cheann Comhairle: The Minister must make a brief response.

Deputy Sean Fleming: This is a great service and it needs to be developed. An Post can have a bright future if we have a positive attitude.

An Leas-Cheann Comhairle: The House was due to adjourn at 11.30 p.m., so the Minister should make a brief response.

Deputy Denis Naughten: There is no point in trying to hold the tide back. The digital economy is growing, and either An Post will be a part of that or it will not. More State and non-State services will go online. If we intend to use the old An Post model, then An Post will be in very serious difficulty.

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The digital economy presents significant opportunities. This is not just a question of providing services, including digital ones, to older people. What can we do to bring young people into post offices? It should not be the case that the only time any of us goes to a post office is at Christmas or during the summer for foreign exchange or passport purposes. What will bring the next generation into post offices? The parcel service will be one aspect of that, as will banking and other financial services. There are significant opportunities for the company in that regard.

Thanks to the commitment agreement that I have penned with Eir, 97% of post offices will have direct access to high-speed broadband within the next 75 weeks. This is a significant opportunity to be exploited by the post office network. The digital economy is growing. Currently, Irish people are spending €14,000 every minute. The sad part about it is that €10,000 of that is being spent on goods and services from outside Ireland. This year, the digital market in Europe is worth €600 million. There are considerable opportunities for businesses at every crossroads in Ireland to exploit that situation. In order to do so, they must have access to an accessible postal service. That can be available. The front office is the local post office and the back office is the parcel service through the mail centres across the country.

The Dáil adjourned at 11.35 p.m. until 10 a.m. on Friday, 14 July 2017.