



DÍOSPÓIREACHTAÍ PARLAIMINTE  
PARLIAMENTARY DEBATES

**DÁIL ÉIREANN**

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

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## DÁIL ÉIREANN

*Dé hAoine, 8 Nollaig 2017*

*Friday, 8 December 2017*

Chuaigh an Leas-Cheann Comhairle i gceannas ar 10.30 a.m.

***Paidir.***

***Prayer.***

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### **Paradise Papers: Statements**

**Acting Chairman (Deputy Declan Breathnach):** The first item is statements on the Paradise Papers, ráitis maidir le Páipéir Paraidís. I call on the Minister of State at the Department of Finance, Deputy Michael D’Arcy, to make a statement under Standing Order 45. The Minister of State has 15 minutes.

**Minister of State at the Department of Finance (Deputy Michael D’Arcy):** I thank the Chairman. The Paradise Papers is the name given to a collection of documents published by the International Consortium of Investigative Journalists and was reported to media outlets worldwide in recent weeks. Coverage of the Paradise Papers has included coverage of the tax affairs of certain individuals and companies. I do not propose to comment on any individual taxpayer or taxpayers as such issues are confidential between Revenue and the taxpayer concerned. As is the case when any information comes into the public domain, it is a matter for Revenue to examine the information and determine if any tax issue arises. I am informed by Revenue that it is examining the Paradise Papers with a view to identifying all persons and entities, including Irish-registered companies, mentioned in the papers with a possible connection to the State. As these cases are identified, the information from the Paradise Papers will be compared with the information held in Revenue’s own files. All information available will then be assessed and if individuals or entities associated with Ireland are identifiable or identified as possibly having tax issues, whether in the form of evasion or unacceptable tax avoidance, Revenue will take whatever action necessary to recover all taxes legally due together with all associated interest penalties and surcharges.

Revenue is determined that any tax evasion identified as a result of investigations arising from the papers will be thoroughly investigated. Where tax evasion is uncovered, Revenue will seek to have the maximum sanctions applied up to and including criminal prosecutions. Ireland recognises that co-operation between countries is essential to tackling the worldwide problem of tax evasion and avoidance if the international community is to succeed in ensuring that there will be no hiding places for those who seek to escape their tax obligations. Revenue will also

continue to work in close co-operation with other tax administrations in the framework of the OECD's joint international task force on shared intelligence and co-operation in addressing issues raised by the Paradise Papers, and will, as appropriate, share information under existing legal frameworks.

Revenue's work in the area of identifying offshore tax evasion has been and continues to be a priority. In 2003 Revenue commenced an investigation into the use of offshore bank accounts and other financial products to evade tax. The amount collected by Revenue over the course of the investigation in tax, liabilities, interest and penalties exceeds €1 billion. Work is ongoing on a number of cases as part of this investigation. The international environment has changed significantly in the years since Revenue started to investigate offshore bank accounts and other offshore assets. Tax authorities worldwide now co-operate on a much wider and more intensive basis in investigating those who hide their profits or gains offshore than they did in the past. Activities such as the Foreign Account Tax Compliance Act, FATCA, an intergovernmental agreement to share financial account information with the United States, the EU's directive on administrative co-operation and the OECD's common reporting standard are all now helping to ensure that tax administrations have greater access to information in respect of the offshore assets and income of their residents. Revenue will make full use of information received from other jurisdictions under these new initiatives on offshore assets to identify and pursue those who have attempted to use offshore accounts, structures or assets to evade or avoid their tax obligations.

In the context of these new information-sharing initiatives now becoming available, the Government introduced specific measures in the Finance Act 2016 to ensure that, as of May 2017, tax defaulters whose default relates to offshore matters are unable to avail of the benefits of the qualifying disclosure regime. Anyone who did not come forward by 4 May 2017 to regularise his or her affairs now faces the prospect of substantially higher penalties; publication in the quarterly list of tax defaulters; and possible criminal prosecution. I am advised by Revenue that the number of disclosures made following this change exceeds 2,700 and amounts to a value of almost €84 million.

With regard to the reference to the Irish banks in the media coverage of the Paradise Papers, Deputies will be aware that I have no direct function in strategic or operational decisions made by the banks in which the State is a shareholder. Decisions in this regard are the responsibility of the board of management of each institution, under the supervision of its regulator and the equivalent authorities in its jurisdictions that are relevant to its operations. I must ensure that the bank is run on a commercial and independent basis and in this regard a relationship framework has been specified that defines the nature of the relationship between the Minister for Finance and the bank. These frameworks can be found on the Department of Finance website.

With regard to AIB and Bank of Ireland, both of these banks have been very clear that they do not support or facilitate tax evasion and that they act in accordance with all relevant tax and data protection laws in any jurisdiction in which they operate. Both banks made decisions a number of years ago to close down their operations in the Isle of Man and on the Channel Islands, which are referred to in the Paradise Papers. The banks have also advised me that they fully comply with a series of disclosure orders made by the High Court in Dublin between 2004 and 2012 in favour of the Revenue Commissioners and in respect of information held by the banks' Irish operations as part of the Revenue's offshore investigation. I am informed by Revenue that on 20 November 2017, it wrote to the financial institutions concerned, seeking disclosure of any information not already disclosed to Revenue which the institutions have re-

lating to the opening of an account or depositing of funds by persons, including Irish registered companies, in the offshore operations owned by the institutions that the financial institutions have confirmed have now been closed.

In relation to Irish corporation tax rules, the leaks from the International Consortium of Investigative Journalists make a number of points about changes in the Irish tax system. It rightly points out that Ireland had already acted to address definitively the issues on stateless and double Irish companies. In the Finance Bill we have been discussing changes to our regime for capital allowances that will be introduced once the Bill is enacted.

I have consistently said the issue of aggressive tax planning by multinational companies is a global problem and requires a global solution. Ireland has played a full part in implementing international tax reforms. An update of Ireland's international tax strategy was published with budget 2018. The update provides concrete evidence of the measures already taken by Ireland to ensure we continue to meet the highest international standards in corporation tax. The Coffey review of the corporate tax code includes a comprehensive review of Ireland's corporation tax code and we have begun taking action on the recommendations in that report. As part of this work, we are holding a consultation process about how we implement the remaining OECD BEPS reforms.

At EU level, Finance Ministers agreed a list of jurisdictions that do not meet international good tax governance standards. As part of this listing exercise, member states receive significant commitments from a large number of jurisdictions to amend their harmful tax regimes, to improve transparency, and to commit to the implementation of the OECD BEPS recommendations. This has been a very successful exercise, and it shows the list is a powerful tool to encourage all jurisdictions to comply with agreed international standards.

I am also supportive of work at EU level on agreeing a proposal, known as DAC 6, which will require all member states to introduce rules requiring the mandatory reporting of tax avoidance schemes. Ireland is one of only three member states to have such a requirement in place already. The OECD BEPS process made recommendations on how mandatory disclosure rules should be designed, and I am supportive of a directive being agreed that is in line with these OECD best practice recommendations.

I reiterate that I am confident that Revenue will make full use of any information that comes to light in the Paradise Papers. Revenue has a strong track record in this area and will continue to co-operate with tax authorities worldwide to ensure there will be no hiding places for those who seek to escape their tax obligations. In respect of corporation tax, the continued implementation of the OECD BEPS reports, as well as further development of information reporting, sharing and exchanging agreements between tax authorities, is vital for aggressive tax planning opportunities to be shut down.

**Acting Chairman (Deputy Declan Breathnach):** Members have requested copies of the Minister of State's script.

**Deputy Jim O'Callaghan:** Before I speak on the Paradise Papers, on my behalf and on behalf of Fianna Fáil, I welcome the joint report published this morning by the negotiators on behalf of the European Union and the United Kingdom. It is a very contentious issue, but I welcome the fact the report has indicated that the position of Ireland, as a result of the decision of the United Kingdom to leave the European Union, is unique. I welcome the fact the agree-

ment recognises the significance and achievements of the Good Friday Agreement, or Belfast Agreement as it is referred to in paragraph 42. Now we should proceed to the second phase of these negotiations which, being realistic, are probably going to be more complicated than the first phase.

In respect of the Paradise Papers, many of us in the House may have studied *Paradise Lost* when we were doing English in the leaving certificate. The first lines refer to:

man's first disobedience, and the fruit

Of that forbidden tree, whose mortal taste

Brought death into the world,

Mr. Milton did not go on to refer to the other disobediences, but if he had referred to the second, third or fourth, I would say he would have got to tax evasion, because it has been with us for as long as there have been any records of societies or states for the purpose of trying to regulate affairs. If we go back to ancient writings we see that tax collectors were never really treated with much praise and they were generally treated with contempt. For as long as we have been on this planet and for as long as there has been tax collection, there have been efforts by individuals to evade their tax.

What we are talking about in the Paradise Papers is not tax evasion. We are talking about tax avoidance. It appears from the Paradise Papers that we have not been able to identify examples of illegality, but this does not mean we should not be making efforts as a country to try to change our laws to ensure this type of very aggressive tax avoidance is stopped. We should be able to stop it.

There is a broad breath in terms of tax avoidance and what it involves. On one level, people working here who are self-employed are perfectly entitled as a means of tax avoidance to write off against their tax any expenses which are wholly and exclusively for the purpose of their employment. People can also avoid tax by reference to any contributions they make to private health insurance or to pensions. What we are speaking about in the Paradise Papers is tax avoidance at a completely different level. The tax avoidance identified in these papers involves people moving their assets and money to faraway locations out of the jurisdiction for the purpose of avoiding tax. This is what makes it particularly galling to the ordinary taxpayer. The average PAYE worker has no opportunity to move his or her money to exotic offshore locations. Their tax is taken straight out of their pay packet. Hard-working self-employed people throughout the country know that no such opportunity exists for them to move their funds to Jersey or the Isle of Man, although it is probably a misnomer to refer to the Isle of Man or Jersey as places of paradise. In general, the reference to paradise is places in the Caribbean.

It is also worth pointing out that people in this country who have been paying income tax over the past number of years have borne the brunt of the crisis in our national accounts. We have seen in recent years the burden on income taxpayers has risen. In 2007, it was under 29% of our total tax burden and almost 40% of the total tax this year is from income tax. It increased by more than 11% from 2007 to 2016. In 2007, income tax took in €13.6 billion while in 2016 it took in €19.2 billion. This is an extra €5.6 billion in income tax taken from people's working payments and the load on them is increasing. It is important to note these figures for the purpose of this debate because it is the regular income taxpayers who are paying higher tax, while a very select few are willing and able to move their funds offshore to avoid paying tax here.

We can understand why people get frustrated and angry when they read in newspapers about the great and the good, whether it be actors, artistes or people who are ostensibly in favour of every right-on cause, and they find out that in fact the cause in which they seem to be primarily interested most of all is saving themselves paying tax. It is unusual that people who have an awful lot of money seem to be particularly greedy when it comes to holding onto all of that money.

It should also be pointed out that the vast majority of taxpayers in this country, whether they are rich or poor, are very happy to pay tax. They recognise it is part of the social contract that exists. They want to be part of a community. They recognise their taxes are relevant and necessary to support hospitals, schools and the gardaí. It is important in this debate that we do not convey the impression a significant number of people in this country go out of their way deliberately and aggressively to avoid tax.

It is the function of the Department of Finance and the Revenue Commissioners to close off loopholes in the tax code. As I have said before, apparently no laws were broken in the cases revealed in the Paradise Papers, but it is important that we continue to close off those loopholes to ensure this aggressive form of tax avoidance is not permitted. As legislators we have to ensure the mechanisms and resources are available to the State to ensure these loopholes are closed off. However, we cannot underestimate the challenge we are facing in that it is very difficult to stop individuals or businesses from moving their capital offshore. One of the functions in being a member of the European Union is to ensure there is free movement of capital within the Union, but there is also, to a certain extent, free movement of capital beyond it which is difficult to regulate. However, we should recognise that our objective must be to ensure we try to close the loopholes that permit aggressive tax avoidance, as I think the Minister has recognised. We are also not in the business of lecturing people about their tax affairs. People are free to do what they wish within the law. However, we believe those who live and work in Ireland should pay their taxes here, although there are always mechanisms by which people can get beyond this.

One of the most disturbing aspects of the Paradise Papers is the role played by the two most senior banks in this process, namely, Bank of Ireland and Allied Irish Banks. It is clear from the Paradise Papers that both facilitated the moving of funds to offshore locations. It appears that AIB moved funds offshore with the express intention of hiding that information from the Revenue Commissioners. If that is the case, it is absolutely unacceptable that a bank that required billions of euro of taxpayers' money to be bailed out should engage in this activity or has engaged in it in the past. To the average taxpayer, such behaviour is completely unacceptable. People have endured higher taxes as a direct result of financial assistance being provided to keep the banks afloat and it is now very difficult for them to hear that the same banks are facilitating tax avoidance. Some questions remain for Allied Irish Banks to answer. It is unclear whether it eventually co-operated with the Revenue Commissioners and provided the information for which it was asked as part of the investigation that commenced in 2004. While the operations outlined in the Paradise Papers appear to have come to an end, both AIB and Bank of Ireland need to confirm this and that there are no similar operations today.

There are also revelations in the Paradise Papers about Apple's tax structure. They have come at a very bad time. Clearly, there is a concerted effort on the part of some of our friends in Europe to undermine our industrial strategy and the revelations in the Paradise Papers are likely to be used by those countries that are seeking to challenge our 12.5% corporation tax rate. The papers reveal how Apple changed its tax structure after stateless companies were outlawed in budget 2014. We now know that Apple has three Irish incorporated companies, two of which are tax resident in Jersey, while the other is tax resident in Ireland.



The issues outlined in the Paradise Papers must be seen in the context of what was happening both in Ireland and globally at the time. The double Irish regime was closed in budget 2015. At the same time, Ireland signed up to the base erosion and profit shifting process and the 80% limit on capital allowances for intellectual property was removed. With all of this change globally and in Ireland, a truly massive amount of intellectual property was moved to Ireland. According to answers to parliamentary questions, a staggering €300 billion worth of assets was placed onshore in Ireland. This led to the remarkable and unprecedented increase of 26% in GDP in 2015. We know that in 2016 the European Commission decided that Apple had received state aid from Ireland. Fianna Fáil disagrees with this decision. We do not believe Apple received preferential tax treatment and support the Government in its appeal. The revelations in the Paradise Papers do not change our assessment of the validity of that appeal. We believe it is very important that, as a country, we defend our 12.5% corporation tax rate. We do not support the European Union's common consolidated corporate tax base proposal. We do not believe tax harmonisation across Europe will solve the problem. It will be solved by aggressively closing loopholes which permit tax avoidance. We firmly believe corporation tax sovereignty is what the people signed up to in the Lisbon treaty.

Ireland cannot be a global taxman. Any solution to this problem must be global in nature. It is simply naive to think Ireland on its own can resolve the issue. As I mentioned, companies will always find ways to lower their tax bills and if we close loopholes in isolation, they are likely to respond by moving their operations elsewhere. It is for this reason we support the base erosion and profit shifting, BEPS, process, but it may not solve the problem. Perhaps another BEPS process might be required. It is at this level that Ireland can make a positive impact. In working constructively with our international and European counterparts we must collectively arrive at a resolution of this issue. The Fiscal Monitor published earlier this week showed that corporation tax receipts were nearly €400 million ahead of budget. Of the entire tax take, according to the 2016 figures, 15.4% comes from corporation tax. In 2016 over 40% of the corporation tax revenue came from only ten multinational companies. This represents a figure of approximately 6% of entire tax revenue and it comes from these ten groups. It, in turn, translates into nearly €3 billion in tax revenue. The changes in budget 2018 in restoring the 80% limit are likely to add to the concentration issue. We agree with the changes made, but it is important for us to recognise this. If we make radical changes off our own bat, we could very easily jeopardise this very important revenue stream. In recognising this, we called for the establishment of a rainy day fund which, as we proposed, would receive some of the corporation tax receipts. This was in recognition of the fact that our corporation tax receipts might perhaps prove to be unsustainable.

The Paradise Papers are a very stark reminder that, as legislators and a country, we need to remain vigilant when it comes to tax avoidance. People will always react to changes to the tax code. As I said, tax avoidance is as old as tax itself. I am confident that the Revenue Commissioners will take a rigorous approach when it comes to the Paradise Papers, but we need to ensure they have the resources and tools necessary to tackle some of the issues highlighted. Both the Oireachtas and the Government need to examine the tax code continually and ensure loopholes will be closed.

**Acting Chairman (Deputy Declan Breathnach):** In the event that Deputy Jonathan O'Brien arrives, he will share time with Deputy Peadar Tóibín. Is that agreed?

**Deputy Peadar Tóibín:** Yes.

It is important that we recognise in this Chamber the work of the International Consortium of Investigative Journalists and its efforts in bringing the Paradise Papers to light. One of the most damaging aspects of life on our planet is the gross wealth inequality between rich and poor. Oxfam has stated eight men now own half of the wealth on the planet. That is shocking and it is very difficult to get one's head around that fact. There are 1,876 billionaires on the planet, yet tonight 1 billion people will go to bed starving, without proper shelter or education and without the food they need to raise their families. I ask the House to think about that for one second. We know that there is a crisis in the distribution of wealth throughout the world. This country has huge experience of it. It is not like the 1960s or 1970s when there were rich and poor; the fact of the matter is that the gap between them is now yawning massively. The most affluent 20% of the population own about 73% of the wealth, which is another startling figure. The least affluent 20% own 0.2% of the wealth and this is happening under the Government led by the Minister of State's party. We regularly hear about the squeezed middle. The squeezed middle has as much wealth as the richest 5%. Is the Minister of State happy with this? Is he happy to preside in a state in which a very small number of people are exceedingly rich, while the middle and lower deciles of the population are getting poorer and poorer? This has not happened by accident; there are a number of key drivers of this wealth inequality.

We have mentioned the regulations that people work under. Zero-hour contracts, for example, is a reason people are pushed into poverty.

One of the main reasons, internationally and in this country, we have this deviation between rich and poor is something called tax injustice. I am surprised the Fianna Fáil speaker said tax injustice is important, but that we cannot be seen to be moving towards tax justice by ourselves. Tax justice should be an objective in its own right. It should not be a strategic element that any country seeks to use. If everybody is saying we should be taxed justly but just not yet we will not achieve that objective.

The truth is that if one looks at the policies the Government and Fianna Fáil have been using over the last number of decades, tax injustice is part and parcel of it. I will tease through that in a short while. It is possible to be economically viable and prosperous and to be tax just. Sinn Féin has been making that point over the last number of years. When I was elected to this Chamber seven years ago I made the point repeatedly to the Government that there was a tax injustice at the centre of its policies. Ministers repeatedly stated that was nonsense and was simply untrue. The EU then intervened and stated that Fianna Fáil and Fine Gael's tax arrangements gave illegal tax benefits to Apple which were worth €13 billion. An international, independent organisation pointed the finger directly at the Government and said that what it was doing was illegal. Sinn Féin has been saying that for years. At that time Fine Gael should have had the decency to go on the correct path, but it decided to militate against that and spend millions of euro to prevent the collection of that €13 billion. Taxpayers, who were basically denied €13 billion, then had to fork out more money to prevent the receipt of that €13 billion.

Not only have we lost billions of euro in uncollected tax in this country, but the Government has done untold reputational damage to Ireland. This country's tax reputation has been atomised by successive Governments over the last ten years. If one travels anywhere around the world, international leaders, politicians and community people will all say that. Oxfam, for example, which is not a member of the hard left by any means, brands Ireland as one of the worst tax havens on the planet. It places us sixth in a list of 15 countries that facilitated large scale corporation tax avoidance.



Thanks to the Paradise Papers we have further insight into the mechanisms employed by Fine Gael. We know that three years ago, the Fine Gael and Labour Government created a budget which engineered a sweetheart deal for multinationals seeking to avoid the payment of billions of euro of tax. Former Minister for Finance, Michael Noonan, abolished the 80% rule, which meant that companies could claim up to 100% on profits arising from intellectual property investments. Why did he do this? Why would a Minister, at a time of economic difficulty, seek to give a 100% tax break to exceedingly rich corporations? Why? Nobody has answered that question yet. Not only did that create a difficulty in terms of the loss of tax earnings, but it actually created a hocus pocus surging of the Irish economy by 26% in 2016, on foot of the wholesale shifting of intangible assets onshore to take advantage of former Minister Noonan's gravy train tax break. This caused reputational damage as well. A Nobel Prize-winning economist, Dr. Paul Krugman, who is not an insignificant individual, described the phenomenon as "leprechaun economics".

Let us think about that. He described an output of the actions of the Fine Gael-Labour Party Government at the time as leprechaun economics.

On 11 October, in budget 2018, the new Minister for Finance, Deputy Donohoe, our knight in shining armour, reversed the tax dodging policy of the former Minister for Finance, Deputy Noonan, by way of capping the capital allowances linked to the investment of IP assets at 80% instead of 100%, which while not 100% what we want is a better move but one has to look at the small print. This tax reform introduced by the Minister, Deputy Donohoe, studiously avoids the whole-scale on-shoring of these assets up to the date of the budget such that the €26 billion hocus pocus surge of assets onto our GDP rates is avoided and thus the money generated from it, for years to come, is isolated from the new cap of 80%. This is a shocking indictment of the current Minister for Finance, Deputy Donohoe. It links him directly to the ongoing policy of tax injustice.

Mr. Seamus Coffey notes that if the cap applied to all claims, existing and new, it would lead to €1 billion in extra taxation for the State. If the Minister, Deputy Donohoe, had done the right thing and included all the intangible assets, we would have €10 billion in extra tax after ten years. The hocus pocus increase in GDP means we will have to pay €200 million extra per year to the European budget, which amounts to €2 billion over ten years, such that, in total, the action of the Minister for Finance, Deputy Donohoe, on budget day in this Chamber, over ten years will cost this State €12 billion. This is not my analysis but that of the analyst Seamus Coffey. That €12 billion is an opportunity cost. It is the diversion of money from everything that we need in this country into the pockets of large corporations or into the EU budget. This money would pay for the construction of 24 new hospitals, tens of thousands of new houses in a national housing crisis and additional railway lines, motorways and broadband provision for all. It is tax foregone by this Government. At the heart of the Fianna Fáil-Fine Gael instinct is deference towards multinationals. This is not a loophole but a policy choice of this Government.

A number of questions arise. I believe the former Minister for Finance, Deputy Noonan, and the current Minister for Finance, Deputy Donohoe, still have not answered these questions. First, why was the 80% rule not applied to all on-shored assets? Second, how do we fix this because it must be fixed, and fixed soon, if we are to realise the taxation that we are entitled to in this country. One of the ways we can do this is by ensuring that all of the assets that have been on-shored are covered by the 80% rule.

Is this the only tax dodging situation we have in this country? No, it is not. Deputy Pearse

Doherty recently proposed an amendment to a Bill which would have ensured that the banks which have 20 years of corporation tax free earnings would have to pay some of that money in corporation tax but Fianna Fáil and Fine Gael refused to do that. There are numerous other tax breaks available for vulture funds in this country. Until such time as we require companies to pay their fair share of tax, we will have people in poverty, homelessness and major difficulties.

An argument is made by Fianna Fáil and Fine Gael that if we mess up the taxation system and create some justice in it, we will threaten foreign direct investment. Interestingly, foreign direct investment is typically used as a tool in an emerging economy to create the necessary industrial function in order that a country can transition to having a stronger domestic economy, but for some reason, this country has never decided to make that transition. So much of the economy is still focused on foreign direct investment. I welcome foreign direct investment and think it is good, but it should not be pursued in the absence of seeking to pursue having a stronger domestic economy. What is interesting is that the foreign direct investment sector wants the same things as the domestic economy sector. It simply wants to have access to customers, an educated and skilled workforce and decent infrastructure, including telecommunications, all of which necessitate investment in infrastructure, but everything is in a mess in that regard. There has been a car accident on the slip road on the M50 and all of the roads leading to the M50 will be jammed for up to two hours such is the tightness of our infrastructure. There are major infrastructural gaps. If we were to invest in removing them, we would make business easier for those involved in domestic business and engaged in foreign direct investment, but we have the second lowest spend in Europe on infrastructure. The only country that has beaten us to the bottom is Romania because the Government has put all of its eggs in one basket. It has stated that having a bargain basement corporation tax rate constitutes our competitive engagement with the world and until that changes, there will be major difficulties.

Major problems have come to light with AIB and the rest of the banks. It is startling that a short period after AIB received €7 billion from taxpayers in a bailout, it developed a business strategy to attract Irish people as part of which they would not be paying tax. Do the banks not know that it is circular, that taxpayers' money cannot be put into the banks to bail them out if they seek to break the social contract with citizens under which they pay taxes to receive services and make sure nobody is left behind?

**Deputy Joan Burton:** In the context of this discussion and the breakthrough this morning which will allow us to move to the next stage of the Brexit negotiations, one little island did not and possibly will not merit a mention in any future discussion, namely, the Isle of Man. It is a small island about an hour away from Dublin, Belfast, Scotland or the west coast of England, yet it is probably the location of one of the most effective tax avoidance and evasion operations of which we know going back decades to the days when some or all of the accounts held there by many people were reflected in the first of the banking scandals. Many services of Irish companies, North and South, are routed through the Isle of Man. They range from waste to financial services. We really do not know very much about this location just off our shores with its secretive tax-efficient operations.

When we have a debate about tax issues, we need to think things through in order that we will have a rounded view. For example, as I understand it, both Sinn Féin and the DUP in Northern Ireland favour having roughly the same corporation tax rate in Northern Ireland, presumably post-Brexit, as is applied in the South. It has been said in promotional conferences that both parties, when in government over a long period of time, said that when selling the North of Ireland internationally in terms of jobs.

The reality of Irish tax planning is that, as with yesterday's discussion and the importance of our neutrality, there is a triple element to addressing widespread tax planning abuses, avoidance and evasion that is undermining the principle of tax fairness and justice on a global scale. If we are to be honest about it we need to think in global terms.

To address the issues raised in the Paradise Papers and the Panama Papers, the questions on taxation I have raised frequently in this House over the years resulted in us getting the information about the billions of euro of tax losses Irish banks are now sitting on, which will mean that as they now return to profitability they can choose what, if any, corporation tax they will pay for the next ten to 20 years. Four banks - AIB, Bank of Ireland and two of the smaller banks - stated in recent reports of having €5.5 billion of deferred tax assets currently available to them - that is not all they have available to them - that they can choose to use when they so wish.

If we were to have a taxation triple-lock approach, what would that involve? Clearly, it will involve Ireland and how we arrange tax affairs and arrange for tax fairness and justice because we belong to the European Union. It would also have to be not just on an OECD basis but on a globalised basis. We would have to have that in a triple-lock arrangement that would, in effect, see a change in regime where there was a global approach to the collection of fair taxation sufficient to provide for the needs of the societies of different countries around the world and, importantly, for our own and for those countries that are at a developmental stage where many people live in conditions of poverty that are difficult to imagine unless one has been there.

When the subject of international taxation comes up, there is a barely suppressed panic in Government circles and in Fianna Fáil as well. It is almost like a physical reaction of tight breathing and negativity. It applies to Fianna Fáil and Fine Gael but it can apply to other parties. It is almost as though we have agreed not to talk about that in front of the citizens of this country and of other countries.

In any kind of discussion I believe we would agree that tax avoidance on a global scale is a zero-sum game and the only people who lose are the citizens of the various countries. The people who gain are the people who are advising on this and creating these structures. The people who gain, in particular in the developing world, are the corrupt leaders who have an entire network of banks and financial structures that facilitate them taking money away from their extremely impoverished people. The very big corporations dealing in basic commodities manage to wash the profits through, perhaps by using three, ten or 30 countries. Something that may be very valuable intrinsically in Africa might leave very little there for the local population. What is left is very often subject to a very high level of corrupt take. We are not directly responsible for that and we cannot directly change that process. We can change it if, as a country, we decide it should be dealt with out of fairness and with the aim of developing a vibrant democracy right around the globe. We need to act with respect to our country, the European Union and global matters. Will the Government concede that point?

When I was a member of the Cabinet I was a really strong supporter and argued constantly for us to be part of the OECD process. This is not because I see the OECD process as perfect - far from it - but rather that in this area we must replace rhetoric with taxation law that works for different countries. We must also recognise that in Ireland, many tens of thousands of people are employed by global multinational organisations that see Ireland as a very attractive place in which to locate. It is legitimate for us to seek those companies to become major employers in Ireland. We must talk this through in an honest way rather than a process that is only about rhetoric. It is not just a debating game and this affects people's lives.

Global international companies nowadays touch down around the globe for product development, customer service development and sales development. We can help to supply that, and we do, because of the calibre of our graduates and other advantages that we offer from Ireland. It would be wrong to lose sight of the importance of that in this debate, particularly with regard to developing a robust economy in this country that can compete internationally. As I stated, both parties in the Northern Executive have for the past 12 years sought to do precisely that. The Republic of Ireland in its trade missions has supported the efforts of the Northern Executive in that respect. We should be a little honest about it.

How should we approach this work? The first action should be to look at loopholes as they arise, as tax is a planning, legal and constitutional matter. It is technically very difficult for the many people not involved in tax matters, accounting and legal affairs. There is a large number of law and accounting firms in Dublin. In the annual Finance Act, we must close loopholes when we become aware of them and as they arise. We have just passed the Finance Act and without a doubt I know well-paid people will spend their Christmas having a look at it and seeking possibilities to be used that we did not spot. They will seek to mitigate the burden of taxation, whether it is income or any other form of tax, such as corporation tax.

One of the initial ways to address the problem is to utilise a concept called minimum effective taxation, whereby tax is levied at minimum rates. I found it really upsetting that the Revenue Commissioners recently said there are ten very large companies that really pay no corporation tax. That is wrong. There should be a minimum effective tax rate. I have been involved, as have others here, in discussions going back decades because the other side of the issue of tax and the effectiveness of tax collection is that if a country does not collect enough tax, it has to borrow a lot of money. If it borrows a lot of money and becomes enthralled to having borrowing funding its basic services and is unable to repay it, the country can end up completely bankrupt as has happened to many countries around the world. We need a minimum effective tax rate.

We need to establish a structure that will allow us, outside of but alongside the Revenue Commissioners, to look at tax issues as they arise, to give advice and information about the cost of these developments, how much tax is collected as a consequence, how much is lost as a consequence and how to strike the balance of a fair and effective taxation system. Fine Gael and Fianna Fáil do not accept my suggestion of a standing commission on taxation, which I have suggested for many years. Fianna Fáil recently did not accept the notion of minimum effective tax rates. Its finance spokesperson was concerned that he did not fully understand what it would have involved. We need a standing commission on taxation parallel to the Law Reform Commission because there is no perfect answer to this. It keeps changing. Good work has been done with regard to Ireland and our membership of, and participation in, the OECD. For many people, the OECD is by the by, but it is a quasi-global organisation. The next step in global organisations, going back to how we approach issues of military neutrality, is to look, for example, at UN-based structures and to see over a period of time if we can formulate a UN approach which would be tied into the millennium development goals. Those goals seek, for example, to ensure that every child is able to go to school and that we have basic health and infrastructural services in developing countries for people who are very poor. Those countries should be encouraged and supported by us all collectively to develop themselves and their democracies. Those are the three things we need to do in Ireland and for Ireland's presentation and presence on the international stage.

Going back to Brexit, we probably need a couple of hundred lawyers and negotiators to

work on the details of the next stage and we need probably 400 extra staff in the Revenue Commissioners to deal with these difficult issues and the scandals disclosed by the Panama Papers and Paradise Papers.

**Deputy Richard Boyd Barrett:** There is no doubt that securing a commitment to have no hard border between the North and South was a hugely important issue and failure to do so would have had a severe impact on people in the North and the South. It was right therefore that there was much concentration on that in public debate this week but it is worth saying that there was no significant divergence of opinion in this House about the stance that we needed to take. Having secured the issue of the Border, we hope, the question is if the fruits of economic growth and wealth in Irish society will be shared out fairly. Will the economic benefit that derives from protecting our economy from one threat mean anything for ordinary people?

It is a source of frustration for me that issues which should get every bit as much attention such as rampant tax avoidance and tax evasion by the wealthiest corporations in this country are the subject of very little debate. For a brief period the Paradise Papers, and the Panama Papers before them, shone a light on it, as did the scandal around the €13 billion of tax highlighted by the EU which Apple should have paid but which this Government did not collect. However, most of the time this double standard of the rich and the big corporations not paying taxes is not discussed and ordinary people are encouraged to fight over the crumbs.

We are faced with an absolutely catastrophic housing and homelessness crisis. Our health service is a shambles and causing immense suffering for those who rely on it. We have the most overcrowded classrooms in Europe. We have a massive deficit in our water, public transport and broadband infrastructures. The list goes on. Most of the time, however, public debate is about having only a few crumbs to play with and the fiscal space so we give a little bit to housing, a little bit to health and a little bit to education. Meanwhile, as the Government and much of the media discussion encourages us to focus on fighting over the crumbs, a small group of people are running away with the cake. That is what the Panama Papers, or the parasite papers as I like to call them, reveal.

Generally speaking, we are hypnotised by false debates and disputes over how we share out the wealth when the real wealth is being stolen from under our noses, facilitated by the tax code and the two main political parties in the country. I have to point out that it is deeply ironic to have Deputy Joan Burton stand up and talk about a minimum effective tax rate. She forgets that up until last year she was in government when we on this side of the House were screaming since 2011 for a minimum effective corporate tax rate and that the big corporations were getting away with murder through the double Irish and tax loopholes. We were asking for a minimum effective tax rate but Deputy Brendan Howlin joined with Deputy Michael Noonan in saying it was rubbish and constantly repeating the phrase that there was no pot of gold and that we were talking nonsense. Of course, the Apple scandals, the Paradise Papers and the Panama Papers have revealed that the left was right about what was going on and the scale of it is absolutely astonishing. On a global level, the result of that is the extraordinary fact that the eight richest people in the world now own as much wealth as the poorest 3.6 billion of the population. It is so mind-boggling, obscene and staggering, it is not possible to get one's head around it.

To bring it home, last year the number of millionaires in Ireland increased by 15,000. We now have 125,000 millionaires in Ireland. This figure is up from the figure in 2006 when a Bank of Ireland study showed that there were 33,000 millionaires. At the height of the Celtic tiger period, we had 33,000 millionaires but today we have 125,000 millionaires. Who are



those people? I will tell the House who they are. They are the parasites at the top of the big corporations and the banks and the people who are making a fortune out of the housing and homelessness crisis. They are absolutely creaming it and paying no tax. They are the banks, vulture funds and corporations and building contractors who pay no tax. This was facilitated all along the way by tax loopholes engineered successively by Fianna Fáil and, more recently, Fine Gael and the Labour Party. Let us consider the irony of Deputy Joan Burton complaining about this. The Labour Party was in government in 2014 when the former Minister for Finance, Deputy Michael Noonan, changed the law to ensure Apple would not be punished as a result of the changes to the double Irish tax scam which had already cost us €13 billion. The Fine Gael-Labour Party Government applied the 100% tax allowance to intangible assets. Mr. Seamus Coffey who nobody can accuse of being a left-wing firebrand or scaremonger said categorically that in 2015 it had cost the State €800 million. Imagine where we would be now in resolving the housing crisis if we had had an extra €800 million in 2015 and we would have had the same amount in 2016 and 2017. According to Mr. Coffey, had the Government made the change that occurred in the last budget, namely, to reduce the intangible assets allowance to 80%, we would have an extra €1 billion next year. Imagine what that could do to resolve the housing and homelessness crisis, in addition to the health crisis. It would give us extra funds for our creaking infrastructure and allow us to invest in education. The Minister for Finance, Deputy Paschal Donohoe, made a decision not to do what I have described, to the benefit of the big corporations which apparently need certainty. Ordinary people also need certainty that they will have a roof over their heads and not be homeless on the streets over Christmas, but it appears that this is less important to the Government than giving Apple the certainty that it will pay no tax on the €119 billion made in sales last year. It is absolutely shocking. All we can do is ring the alarm bells and try to get the truth out to the people. Frankly, it will take a revolution to shift the political establishment towards dealing with the gross inequalities associated with tax and wealth distribution in this country.

**Deputy Ruth Coppinger:** The Paradise Papers, following on from the Panama Papers and the Luxembourg Leaks, have exposed to the eyes of the world the major tax scams being engaged in by corporations and the wealthy elite in society. They also clearly expose one of the reasons for the major growth in inequality across the globe. There is massive wealth at one pole and massive poverty at the other. This is now the reality of the capitalist system. The annual Oxfam reports have been very revealing. In 2014, 85 people had the same wealth as the poorest 50% of humanity. That is a shocking figure. In 2015 this number had reduced to 62. In 2016 it was eight. What is the Government's position on all of this? This year the number has reduced to just five. The same number of people who would fit into an average car now hold the same wealth as half of the globe.

Tax avoidance scams and tax havens facilitate this inequality and reduce the tax intake of states which, in turn, reduces the funding available for vital public services. While this small elite increases its wealth, luxury and decadence, working class people and the poor across the world experience increased misery. The profits and wealth hoarding of the super rich and big corporations fuel and drive the massive growth in inequality across the globe. Seven out of ten people now live in a country that has seen a rise in the level of inequality in the past 30 years. Between 1988 and 2011, the income of the poorest 10% across the globe rose by just €65 per person, while the income of the richest 1% grew by €11,800 per person. That means that the income of the richest 1% grew by 182 times more than the income of the poorest. This does not just happen in developing countries, it also happens in the most advanced capitalist countries. In America, for instance, the average pay of a CEO rose by 937% between 1978 and 2016. The



median wage of the CEO of a Standard & Poor's 500 firm is now \$11.6 million, up 6.3% in one year. However, real wages have stagnated, even in the US. In the US currently, Donald Trump's Administration is pushing through a whole range of massive tax cuts which will benefit the rich and corporations. It is known as the so-called "Trump bump" and it will further escalate the inequality in the US where three people now have the same income as the bottom 50%. In Ireland the same is true; in 2016 the CEO of Cement Roadstone Holdings, CRH, one of the largest companies in the country, received a pay increase of 32% to €5.5 million. His pay is 87 times that of the average worker in the company. The CEO of the Kerry Group will receive a pay package which is 84 times that of the average employee.

Developing countries and women are those who are most especially hard hit by tax avoidance. Oxfam estimates that developing countries lose \$100 billion a year through corporate tax avoidance while Action Aid estimates that they also lose out on \$138 billion through the provision of tax incentives and exemptions. Let us look at how life could be radically transformed in developing countries if this tax was received by the state and spent on vital public services. Up to 8 million deaths could be prevented if just one third of the tax which is avoided was paid; 6 million children could be provided with health care; and 124 million children across Africa could be provided with education. Kenya loses \$1.1 billion through tax incentives and exemptions, which is twice the amount of its health budget and it is a country where one in 40 dies during child birth. Nigeria loses \$2.9 billion through tax incentives, which is twice its education budget. It is a country where 6 million girls do not go to school. Not only would health and education for women be improved dramatically, but the lives of women and girls would be fundamentally transformed. Women are often in the lowest paid sectors and face the highest levels of discrimination.

In Ireland, we know about corporate tax avoidance because the establishment over decades has created a tax haven for companies, which the Paradise Papers have further exposed. It has been revealed that 90% of the world's largest companies have a tax base in at least one tax haven. In 2012, US multinationals poured \$80 billion in profits into Bermuda alone. The same can be said of Ireland, a country which multinationals use to launder their profits. Billions go through the accounts and there is leprechaun economics while at the same time more than 3,000 children are in homeless accommodation and there is consistent poverty despite the recovery. A global race to the bottom is taking place on corporation tax. That will only result in increased profits for the 1% and increased misery for the 99%. If the Government was in any way concerned it would immediately take the money that is owed by Apple without contesting it and invest it in housing and vital public services. It would tax companies such as Starbucks, which in 2014 paid virtually nothing in tax in this country and certainly less than most of its employees have paid individually. The Apple tax scandal showed the sweetheart deals that are available.

We must take note of any developer taking advantage of tax havens such as those revealed in the Paradise Papers, for example, McGarrell Reilly, which is building houses in Hansfield where the Taoiseach spoke about affordable homes for €320,000. Those developers should not be given any further State contracts or benefits from the State such as dole outs from the Irish Strategic Investment Fund, as is the case with McGarrell Reilly.

**Deputy Maureen O'Sullivan:** I wish to share time with Deputy Joan Collins.

**An Ceann Comhairle:** Is that agreed? Agreed.

**Deputy Maureen O'Sullivan:** The Paradise Papers is a strange name when we consider

what they are. They are providing new revelations about tax dodging by companies and individuals across the world. This is coming at a time when an EU parliamentary committee has been investigating the Panama Papers. It looks as if there could be a permanent job for such a committee. The Paradise Papers continue the story of tax evasion, tax avoidance, money laundering and fraud. With the Panama Papers scandal we got access to 11.5 million leaked documents from more than 200,000 offshore entities and only for that leak and for the journalists who were investigating it we might not have known. We know that offshore business entities are legal but some of these companies were being used for illegal purposes. People make a distinction between tax avoidance and tax evasion, but I think the two amount to about the same thing, which is not paying lawful taxes. This kind of aggressive tax avoidance and evasion has created and exacerbated inequality. It has widened the gap between the rich and poor and it is also widening the gap between the rich and the ultra-rich.

The background is what one would expect to read in a thriller such as *The Wolf of Wall Street*. It is really about the lengths to which individuals and companies go to hide away money so that governments cannot find it for tax purposes. Initially, it was simple with Swiss bank accounts and offshore shell companies. Then, that gave employment to lawyers and accountants who developed creative ways to avoid and evade tax.

I read an article which stated that 8% of the world's wealth, \$7.6 trillion, was in tax havens, and that this means a tax revenue loss of \$200 billion yearly. An economist reckoned that corresponds to \$35 billion lost in the United States and \$78 billion in Europe. When it appeared a register of beneficial owners would be drawn up, instead of simply paying the taxes those involved looked for other countries where this creative accountancy could work for them.

Companies flourish in such places. They do the paperwork, registration, sort the nominees and directors, create virtual offices and use anonymous names so that the rich can keep their financial affairs secure. The rich include certain politicians and their families, drug dealers, international arms smugglers, corporations, sons of sheikhs and Russian oligarchs. Those involved also facilitate the moving of wealth from mineral-rich African countries. Often, these are poverty stricken countries, but their despotic rulers are able to move this money so that their countries cannot benefit. This comes through transfer pricing, double non-taxation, profit-shifting, layering and lax corporate laws. We always hear about rich people advising each other on how to continue to avoid tax and coming up with more creative ways to avoid it.

What is needed is the naming of tax havens and transparency on the intermediaries. These include the consultants, lawyers and accountants who work for their clients on avoiding and evading taxes. We need strict anti-laundering directives and public country-by-country reporting.

Of course, the biggest obstacle to fairness is certain governments. On 5 December, EU Finance Ministers produced a list of non-co-operative tax jurisdictions, in other words, tax havens. A total of 17 countries were named for failing to meet agreed tax governance measures. Panama is back on that list. A total of 47 countries have committed to addressing the deficiencies. No EU countries were on the list but we know from the work that has been done by NGOs like Oxfam, Christian Aid and Debt and Development Coalition Ireland that Ireland is far behind when it comes to tax justice. I do not say this as an attack on foreign direct investment, but I believe there are other reasons besides taxes why corporations come here. When I came to the House first in 2009 I was practically a lone voice on the corporate tax issue. I was trying to find out the effective tax rate and what exactly was paid.

We have had Luxembourg Leaks, the Panama Papers and the Paradise Papers. What is next? Experts reckon that 80% of tax-dodging activities remain to be disclosed. Where will Ireland be when we get more disclosures?

**Deputy Joan Collins:** We have had the Paradise Papers, Panama Papers and the Luxembourg Leaks. We have to call these leaked documents by their proper name: they amount to an international white-collar criminal conspiracy on an industrial scale.

Let us consider the so-called legal end of the conspiracy: tax avoidance. Oxfam estimates that \$100 billion per year is lost in much-needed state revenue. This particularly affects poorer countries, which are more reliant on corporation tax than income taxes. On average, corporation taxes account for 16% of income in developing countries. That is double the 8% average in the developed world. This is lost tax income that could be spent on basic health services and education. Oxfam estimates that one third of the \$100 billion could prevent 8 million unnecessary deaths every year. How can any government stand over the fact that 8 million deaths, that are unnecessary, can occur every year because of this conspiracy?

That is only one side of the conspiracy. Another is made up of tax havens and the lawyers, solicitors, accountants, tax consultants and the various parasites who feed off them. They are essential to tax evasion and money laundering. They are essential to organised crime, the drug trade, people smuggling, the illegal arms trade and the corrupt cliques who are asset stripping their own countries. Without the legal tax havens and the industry that surrounds them, it would be much more difficult to launder this money and wash it clean of the human misery from which it is earned.

This week, I read an opinion piece in *The Irish Times* by a certain Mr. Cronin, the vice chairman of Deloitte Ireland, a company which knows a thing or two about the tax avoidance business. Mr. Cronin argues that we should not overreact to the Paradise Papers and that a little tinkering might be required to assuage public opinion and maintain a beneficial environment for businesses and investment. I do not know how it is possible not to react with outrage to what the Paradise Papers have revealed. The super rich, the wealthiest and the biggest companies in the world, along with organised crime and corrupt dictatorships, are stealing from the poorest and most vulnerable, denying them basic health care and education and denying 8 million people, including children, the right to live. According to Mr. Cronin, we should not overreact and he casually suggests that a greater focus should be placed on consumption and property taxes. Talk about the unacceptable face of capitalism. This is a case of leaving the rich alone, move along because there is nothing to see here and tax the poor because it is easier. In sub-Saharan Africa, 66% of tax income comes from VAT, a consumption tax that hits the poorest hardest. When Mr. Cronin speaks of property, he does not mean major assets held in the form of property or zoned land hoarding, but a local property tax on ordinary homes. How these people sleep at night is beyond me.

Action will have to be taken by the OECD and European Union. The record of the OECD in this area is not good. It produced a blacklist of tax havens for the G20, which managed to identify only one tax haven, Trinidad and Tobago, a country that apparently did not have sufficient clout to have itself excluded from the list. The OECD's effort was more of a whitewash than a blacklist. The European Union did better, producing a report this week which listed 35 tax havens. However, the EU list also has a problem in that it only examined non-EU countries. By this sleight of hand, it did not include the four tax havens in the European Union, namely, Luxembourg, Malta, the Netherlands and Ireland. The EU criteria were transparency, fair taxa-

tion and co-operation internationally on tax issues. Many of the countries on its list have zero rates of corporation tax. While this is not the case with the four EU countries in question, when special deals and deliberate loopholes mean companies such as Apple pay an effective corporate tax rate of less than 1%, it equals tax haven status. There is no other way around it. When royalties constitute 26% of a country's gross domestic product in one year and exceed the combined royalties of all other EU member states, there is something dodgy going on. Incidentally, living in a tax haven is of little benefit to those who do not count among the elite, for example, 32% of the population of Panama live below the poverty line.

On the not unimportant issue of jobs and investment, the World Economic Forum's global competitiveness report indicates that of 12 considerations for investment, the most important are infrastructure, a healthy and educated workforce and social stability. These areas all require significant State investment funded by taxation, including relatively high and progressive levels of corporation tax. The record of Scandinavian countries on inward investment is proof that the race to the bottom on corporation taxes is self-defeating.

Measures can be taken to tackle this international conspiracy. Ireland should press to require transnational companies to produce country by country reports. These companies should be forced to give a breakdown of their turnover in each country in which they operate and provide details on employee numbers, assets, sales, profits and taxes paid or unpaid. This is the most effective measure we could take and much more effective than BEPS. We must be realistic. Until we move beyond a system based on the maximisation of profits as opposed to the common good, a system based on gross inequality and exploitation, these injustices will persist. It should be part of this country's remit to go into the EU and argue for this, and have a transparent company register with everything on it, including where they pay their taxes and unpaid taxes. If we do not do so, the poverty and inequality that we have seen developing over the past ten or 15 years will continue, and it will be on the Government's head. The Government will be seen in history as part of that triangle of greed.

**Deputy Mattie McGrath:** I, too, am happy to speak today on the Paradise Papers.

Some weeks ago, I raised the matter of our banks' predatory behaviour with respect to tracker mortgages during Leaders' Questions with An Taoiseach. As I stated at that time, I believe it important to speak on this because such episodes as the tracker mortgage scandal reveal where the real centres of power lie in this State.

The position that there is one law for the rich and another law for the rest of us has only been compounded by the revelations contained in the so-called Paradise Papers. Unprecedented levels of tax evasion or aggressive tax avoidance have been uncovered. It is simply staggering to see the scale of the problem, the international complicity and the entire tax system that has been built up to allow this happen with a veneer of legality.

Let us imagine, for example, if we turned on the news tonight and it was shown that someone had walked into a bank and stolen €50 million. We all would be shocked and stunned, and yet this kind of thing is happening every day of the week with respect to the large financial institutions, quite simply and without violence, from within. They do not have to walk in at all - they are inside, deep in the boardrooms - and they are robbing us all blindly. They simply walk in, as I said, and manipulate tax codes to such an extent that tens and hundreds of thousands and millions of euros go missing or unpaid. It is obscene.

Prior to the American War of Independence, their rallying cry was “No taxation without representation”. That principle has now been completely reversed. Indeed, it is clear that all of those who paid little or no taxation have all the representation, and that has been alluded to by many speakers here this morning. They have access to and, indeed, control the levers of power and have rights that an ordinary working person could not dream of.

In my statement some weeks ago, I also said that during the 2016 debate in this House on the Panama Papers, the then Minister for Finance, Deputy Noonan, stated that he was bringing forward legislation to enable tax defaulters to make a qualifying disclosure to Revenue. The Minister went on to state that defaulters who have used offshore accounts or assets in their evasion “will find themselves in a very difficult position if they do not come forward quickly to regularise their affairs with Revenue”. They were neither shaking in their shoes nor afraid of being reprimanded following that statement. I am still unclear as to how many of these defaulters have found themselves in that situation. Very few, I would say. Clearly, this is not happening. They know, and they are laughing all the way to the bank.

Institutional tax avoidance still appears to be rampant in this State. Mr. Colm Keena, in *The Irish Times*, has reported that AIB, Ireland’s largest bank of which we own 90%, continued to target Irish customers who wanted to avoid paying tax after the bank had been bailed out at a cost to the public of €7 billion, a cost that our grandchildren and future generations will pay. They treat us like this with impunity. It is sickening. It beggars belief that AIB can do that. We were called here late at night in September 2008 to save them from ruin on the basis of the lie told to us that there would be no money in the ATMs the morning after when there was a Ponzi scheme and all the bondholders the bank had that we are paying off were insured. They had insurance bonds. They were paid by the taxpayer and their bonds are untouched. Their insurance premiums would not even be raised because there was no claim.

Mr. Keena went on to state that the report, based on the leaked files from the Isle of Man offices of offshore law firm, Appleby, revealed Government-owned AIB refused to give the Revenue Commissioners access to the data on its offshore customers when responding to a court order. The Revenue Commissioners had to get a court order and the bank refused. What level of contempt, arrogance and blatant disrespect for lawmakers, never mind taxpayers, does that show, but what do we do? We pat them on the back, go play golf with them and invite them into the Minister’s office for talks. It is unbelievable. One would not read it in a crime novel.

For most people outside listening to this debate and most of us here, the ins and outs of the international tax system are a complete mystery. It has been deliberately designed to be complex and hard to scrutinise. What is not hard to understand, however, is that these episodes  
 12 o’clock reveal a huge gaping lie at the heart of our democracy which was fought for so dearly. It is a huge gaping untruth and falsehood. We are coming up to the celebrations to mark the 100th anniversary of the War of Independence, yet these are the shenanigans and corrupt practices being engaged in. This is the system we have built. Many noble men and woman fought and gave their lives for this country, yet this is what we have within a century. It probably started half way through the century. Look at the level it is at. It is unbelievable.

The massive double standards in this arena absolutely infuriate people. In the meantime, the Taoiseach makes great play out of acting the tough guy in dealing with welfare fraud, but yesterday the head guy in the Department of Employment Affairs and Social Protection said it was unnecessary and unworthy. The Taoiseach was out with his pictures. He said, “Name them



and shame them,” and he was out naming and shaming. I saw the picture of him standing with the placard - hashtag #Leo. Where was he when the banks were doing it? Perhaps I missed it, but I did not see him outside the headquarters of AIB or Bank of Ireland having any photo taken with a placard with helpline numbers for people to call. There was no hashtag #Leo either. I would not expect him to go outside today because it is a little too cold for him. He might want his winter woollies, but I have never seen him or any Taoiseach or Minister for Finance challenge the shenanigans ongoing in the banks. We are like a broken record in talking about it, but nothing is changing and the public are growing very tired and weary. Is it any wonder that ordinary people have completely lost faith in the sincerity of the Government to radically address these issues? There is no legislation whatsoever dealing with the banks. There is no appetite to introduce it and that is the way the system has been built.

In reply to a parliamentary question tabled by my colleague, Deputy Michael McGrath, the Minister for Public Expenditure and Reform said, “I am informed by Revenue that it is aware of, and actively examining, the information and allegations currently being published by various media outlets that originate from the “Paradise” papers”. It is aware of and actively examining the information and allegations, but what will happen about them? The answer is sweet you know what. I will not say it here and if I was to do so, the Ceann Comhairle would be very distressed. It is pathetic. It is unworthy of the words I would use to describe it. The Minister went on to state in the reply:

Revenue is determined that any tax evasion identified in relation to Irish taxpayers will be thoroughly investigated. Where tax evasion is uncovered Revenue will seek to have the maximum sanctions applied up to and including criminal prosecutions.

Every week the names of tax defaulters are published in the newspapers. The Minister of State has seen the names of people in his constituency on the list. To be fair to many of them, they are not tax defaulters. They may have run late in making their tax returns for some reason or other. Most of the headline sum is made up of penalties and interest payments, yet when farmers cannot be paid the grants they are rightly owed, the Minister of State’s colleague, the Minister for Agriculture, Food and the Marine tells us that it is a computer glitch or that wrong information was put into the computer. The farmers affected will not receive interest and there will be no penalties imposed on the Department. It is a wrong and disgusting system. I do not read the names because I do not want to read about the misery of others. The vast majority are decent people. Perhaps things went wrong for them for whatever reason or they were late paying or had health issues. There is very little mercy shown by Revenue when one is self-employed. In this instance, we are going to apply the maximum sanctions, up to and including criminal prosecution. I wonder when that will happen. I imagine they are shaking in their boots having moved to other jurisdictions and afraid that they will be hauled in and arrested. There is not much chance of that happening.

The Minister stated that, if instances of aggressive tax avoidance were to emerge, all such instances would be rigorously investigated and challenged by Revenue. It is pathetic that he had to make that woolly statement. He continued: “Where anti-avoidance legislation can be applied to recover tax avoided through the use of unacceptable tax avoidance practices and schemes, Revenue will seek to apply such legislation with a view to recovering any Irish tax avoided, together with all associated interest and tax avoidance surcharges.” That is woolly and flowery language. Revenue “will seek” to do its best, but if we owe it anything, we will receive letters, at the bottom of every one of which there is a mention of a prison sentence. These letters are sent to decent taxpayers and small employers, be they shopkeepers, undertakers, hairdressers,



etc. They all have to pay their taxes, and rightly so. As Deputy Jim O'Callaghan mentioned, we do not mind paying our taxes in order to have a better society.

The Minister concluded by stating:

Revenue's work in the area of identifying offshore tax evasion has been and continues to be a priority. The international environment has changed significantly in the years since Revenue started to investigate offshore bank accounts and other offshore assets. Tax authorities worldwide now co-operate on a much wider and more intensive basis in investigating those who hide their profits or gains offshore than they did in the past.

I will not believe it until I see it happen, but why was this not always done? Why must we be told that this work is increasing?

I am sure all of this has the international cartels shaking in their boots which they are dusting down for the Christmas parties and to hell with the people in Éire. Let the Croppies lie down. The cartels are above the law. Not just for years but for decades we have been saying we will vigorously pursue them. Why are we not pursuing them? How many people have been arrested, brought before the courts, tried - they are entitled to a fair trial - and sentenced? Time and again, they have managed to evade public sanction. We must ask, therefore, whether there is any serious or genuine attempt to end these practices. One aspect is for sure - the people whom I represent, like my colleagues in the Rural Independent Group, are sick to the back teeth of picking up the tab for the bankers and the super wealthy. Ordinary people suffer and pay for the sins of others, while the rich get away scot free.

I was out for a while, but I have not seen the Minister for Finance in the Chamber once today. That shows how much interest he has in the Paradise Papers. The Ministers of State, Deputies Michael D'Arcy and David Stanton, have been present and I am not blaming either of them.

In 2007 a total of €13.6 billion was collected in income tax. In 2016 that figure was €19 billion. The extra €6 billion was squeezed out of ordinary people - the small farmer or business person and everyone else who cares. It would be squeezed out of children also if the Government could get away with it. A previous Government tried to put a tax on children's shoes. I remember seeing on television the Taoiseach of the day kneeling in front of the late Jim Kemmy begging him to vote for it. The Government is robbing people blind, but those mentioned in the Paradise Papers are laughing. They are innocent bystanders, mar dhea.

AIB has refused to obey a court order. What would happen if any of us did not obey a court order? Last week the Ceann Comhairle was almost summonsed to appear in court on behalf of the House by former Deputy Joe Costello to ensure legislation to change constituencies would be introduced. The Ceann Comhairle had to attend business meetings and a defence had to be entered. We have to respect the law. Even the Houses of the Oireachtas Commission has to respect the law, but AIB can flout it and give it two fingers, four fingers or 20 if it had them. I am not blaming its front-line staff like tellers, whom one cannot even see in banks anymore. One would want to be a robot as it is machine after machine after machine. Old people are not wanted inside banks which do not want to do anything other than fleece people constantly and create more Ponzi schemes.

Where are the public interest directors? They are getting salaries for nothing. In parliamentary question after parliamentary question I asked the former Minister, Deputy Michael

Noonan, whether they had any responsibility. He finally told me, “No.” What are they there for so? Is it just to have a spin to Dublin, receive travelling expenses, have a good dinner and perhaps a Christmas dinner or a Christmas night out and then go home? It is a scandal. They are supposed to be public interest directors, but they are not. Remove them or do not give them the name. They might as well be at home with their children, playing golf or whatever else.

That the bank would refuse to obey a court order beats Banagher, as the fellow said. Ordinary people have to work and scrounge to pay their taxes. People do not mind paying a fair amount if they get services in return, but the increase since 2007 has been savage. The two men behind me here, Deputies Michael Collins and Danny Healy-Rae, have to organise a bus next week to bring people who are almost blind to Belfast to get operations that they cannot get in the Republic without waiting for three or four years. This is a democracy. This is the system people fought for in the War of Independence. The Government should be ashamed of itself. The circumstances should shame it, but it has no shame anymore. If it had any shame the Minister for Finance, Deputy Donohoe, would be here this morning. It has no shame and no respect for what people are doing out there.

I do not want to blame the Minister present, who is a decent enough person, but what is happening is a result of the system in place. We have to change that system and make the Secretary Generals accountable. Ministers come and go and new Ministers arrive. The TV programme “Yes, Minister” rings fairly true, and that is more than 20 years old. We all know that the system is in charge. Senior public servants are in charge, and they have no notion of relinquishing their power. We saw that with the banking regulator. What did he do? He got a big pay-off. We brought a mercenary into the Bank of Ireland and he is on his way again. That is the kind of thing that is done, and it will be done again. Why not, when the people allow it to happen? Something is going to have to bring the Government to heel. People are educated now, they have a lot of information and there are worldwide associations. They are waiting for the Government in the long grass. I have said this to the Minister on previous occasions. Some members of the former Government were caught in the long grass in the last election, but some were like the hare, hiding under tufts of grass, and were not rooted out. They will be rooted out on the next occasion. They deserve to be rooted out for not representing the people and not doing the job they were elected to do under our Constitution, which was fought hard for by the men in the GPO.

**Deputy Catherine Murphy:** I welcome the Minister’s remarks in that he has assured us that Revenue will be investigating the circumstances, the companies and the individuals involved in the Paradise Papers. However, Revenue must be resourced to do this. The Paradise Papers are an elaborate collaboration between banks, accounting firms and law firms spread across the world, including Ireland. One must question whether the resources are available in Revenue, because matching the expertise is a really big difficulty. There are experts available within our universities, and I often wonder whether they are under-used.

Should this investigation go wider than Revenue? Revenue will act within the law, as it must. We are constantly told that these companies did nothing illegal. One has to ask sometimes why there is no law to prevent some of the stuff that is revealed. It really undermines people’s faith in a country when they consider the struggles that they go through. People know the resources that are needed to deliver public services and they see a particular cohort of people who are very wealthy being able to manage to reduce the amount of tax they pay. There is such inequality in this that it is an affront to people.

I also wonder about the cash profits. They were not just generated, stacked in big piles, put in a suitcase or a container and sent off to some foreign country. These were transactions that went through the banks. The banks are a central player in all this. It is clear there are banks within banks, and that has been the case for a while. It is not some sort of mythical thing. It can only happen in that way, and I wonder about the banks that we had control over and still have a significant amount of control over. Why was more not done on this? If one leaves the country with a large amount of money, it has to be declared. I do not understand how it happens.

There are myriad financial transactions and arrangements in place. It is a labyrinth. I do not always agree with Deputy Mattie McGrath but I agree with his point on the manner in which money owed by ordinary taxpayers is recouped by Revenue. I pay my taxes and I am happy to do so but there are times when acts of civil obedience, as in the case of water charges, are necessary. This proposal was the straw that broke the camel's back. The reaction to an ordinary person engaging in civil disobedience of this type is very different from the reaction when large companies default on taxes. Non-payment of water charges pales into insignificance in terms of the amount involved in the latter case. Why there is not a sense of outrage and urgency to deal with this issue in a much more comprehensive way is of major concern.

Prior to the crash many people queued for days to purchase houses at exorbitant prices. Many of these houses were bought off-plan because purchasers were afraid that if they did not do so the price of a house might increase by another €10,000 the following week. People are still paying the price for this in terms of very high mortgages, negative equity issues and having to live in inappropriate accommodation in terms of size and so on. Given many developers were paid for houses off-plan I have never understood how they could all have lost in that environment. Some of these developers are re-emerging, having left carnage behind in terms of small suppliers, many of which were forced out of business. The question that comes to mind is from where are they now getting the finance. They are hardly being financed by the banks having been declared bankrupt and so it must be the case that they put money somewhere. I have never understood why this scenario existed.

The exposé of the Paradise Papers reveals very obviously that the rich - I am not speaking about somebody who is comfortable or-----

**Deputy Mattie McGrath:** On a point of order, it shows contempt for the House that there are so few Government Deputies here. I call a quorum.

*Notice taken that ten Members were not present; House counted and ten Members being present,*

**Deputy Catherine Murphy:** We are not talking about people who are reasonably well-off. We are talking about very wealthy people. They are the ones with the resources to engage the expertise that can allow them to put their money out of reach. One must ask who is writing the laws and where the influence is because the very idea that one can say that much of this is not illegal is really very offensive. There is no doubt that there are insiders who are getting an ear and laws have been written in their favour. We must recognise that because if it can be said that they are not doing anything illegal and massive tax planning is taking place, a small number of very big accounting and law firms are assisting this. Keeping up with it is almost an industry in itself.

One could not talk about this without referencing the Apple tax case. The amount of money

Apple has been adjudicated to owe is about 5% of what it has in the bank. It certainly will not break Apple. I find it extraordinary that such efforts are being made to challenge the European direction on this, particularly when we have such a generous tax rate and the corporate sector is treated well with a significant number of companies paying well below the 12.5%. A number of accounting firms acted for the banks that crashed. They are still routinely wheeled out as though they were paragons of virtue and are asked to do quite a lot of business on behalf of the Government. I question why this is the case when they have a record that has caused us very serious problems and are actively engaged on the other side in assisting people to reduce their taxes to the point where the economy is being challenged in terms of the amount that is required to be spent on housing, infrastructure and the health service.

**Deputy Bernard J. Durkan:** I will make a few comments about this issue, which has engaged the House and public representatives for some considerable time. At the outset, like everybody else, I am totally in favour of ensuring that the national and international regime regarding taxation of companies, be they indigenous or foreign, applies. We all agree that whatever provisions apply in the country should apply to each without exception. There is a danger, however, that we are wandering into another debate - the one President Trump and others are generating - which seems to be pointed at companies that have invested in this country, in other words, foreign direct investment. The suggestion appears to be that this country must collect the taxes on the profits earned in other jurisdictions of companies that have headquarters here. That is totally outside anybody's business except the business of the country in which the profits were made. If we move in that direction and start to soften our stance on that we will eventually find ourselves with no foreign direct investment because no foreign direct investment company will want to be put in a position where, by investing in this country, it must then collect taxes on the profits it earns in third countries, some of which have a *laissez-faire* attitude to taxation in general. It would be very misleading for us to jump on the bandwagon without knowing what is on the bandwagon. It is hugely important that we iterate that we expect the profits that accrue from all foreign direct investment in this country are taxed in accordance with our taxation rules, which in terms of corporation profits tax is 12.5%. It has been suggested again and again that 12.5% is not paid here and that some under the counter deal is done. The Revenue Commissioners have reiterated that the 12.5% rate applies. We either believe somebody or we do not. Either the Revenue Commissioners are doing their job or they are not. If we are suggesting in the House that all of that is a fudge, which is a topical issue nowadays, there can be no fudge about that. They either do or they do not and we need clarification if that is not the case. That does not take away from the fact that all companies, in increasing their investments and upgrading their technology or whatever the case may be are entitled to tax concessions on foot of that. Otherwise, there would be no expansion of companies. They would stay in one spot and there would be no further development.

It is important from our point of view that we are absolutely clear that foreign direct investors and indigenous investors are to be treated alike. There should be no difference. In so far as taxation is concerned, it should and must apply only to the profits earned in this jurisdiction. To do other than that is simply opening the gate to create a situation whereby this country will become an unfriendly site in which to invest. That will be to the satisfaction of some international begrudgers who appear from time to time. I am sure they have no personal interest of their own but we need to ensure we protect our national interest in this situation. We need to underscore on every occasion that in the current highly competitive international market we must remember that we are our own friends and we can expect nothing from anybody except what we do ourselves and what we fight for and try to maintain. I know the Minister is aware

of it already but this is not a simple situation and it is not a case of one-way traffic.

**Deputy Mattie McGrath:** On a point of order, the Minister had to leave but he is back in the Chamber. We were not circulated with a script earlier, and we were not circulated with scripts yesterday for two or three statements. I asked all the staff here and I know it is not their fault. Scripts were not delivered. It happened twice yesterday while I was here, and it happened again this morning. That is disgraceful. The Minister was speaking but we did not know what he meant because we did not have a note to follow.

**An Ceann Comhairle:** We will ask for the script, Deputy.

**Deputy Mattie McGrath:** I asked for it at the outset. I was here to make up the quorum as well.

**An Ceann Comhairle:** We will make the necessary-----

**Deputy Mattie McGrath:** It shows contempt for the House. It is the third time this has happened in two days.

**An Ceann Comhairle:** We will make arrangements that it does not happen again.

**Deputy Mattie McGrath:** It happened today, and twice yesterday.

**An Ceann Comhairle:** I assure you, Deputy, that it will not happen again.

**Deputy Mattie McGrath:** It is not your fault, a Cheann Comhairle. It is the arrogance of the Ministers who wander into the House without a script.

**An Ceann Comhairle:** Please-----

**Deputy Mattie McGrath:** It is. What else is it? It is unacceptable.

### **Health Insurance (Amendment) Bill 2017 [Seanad]: Financial Resolution**

**Minister for Transport, Tourism and Sport (Deputy Shane Ross):** I move:

THAT Section 125A of the Stamp Duties Consolidation Act 1999 (No. 31 of 1999) be amended to provide for the specified rate of stamp duty in respect of an insured person in respect of relevant contracts renewed or entered into on or after 1 January 2018 and on or before 31 March 2018 and on or after 1 April 2018 in the manner and to the extent specified in the Act giving effect to this Resolution.

Question put.

**An Ceann Comhairle:** In accordance with the order of the House of Tuesday, 5 December, the division demanded shall be taken after the Order of Business next Tuesday, 12 December 2017.

### **Road Traffic (Amendment) Bill 2017: Second Stage (Resumed)**

Question again proposed: "That the Bill be now read a Second Time."



**An Ceann Comhairle:** Deputy Michael Collins was in possession and has 11.5 minutes remaining. He should not feel he must use all of them.

**Deputy Michael Collins:** I would gladly take an hour if the Ceann Comhairle gave it to me, but I will probably have to stop after 11.5 minutes.

I sympathise with those who have lost a loved one in any road traffic accident during the years. It is a very difficult time for many families and I sympathise sincerely with each one of them. I also accept that I have a conflict of interest, as I have two brothers who own rural pubs in west Cork and a daughter, Marie, who works in two bars in west Cork also. It is their livelihood.

Drink driving should be severely punished. However, this is an anti-rural Ireland Bill which is proved by the fact that it is before the House on a Friday, when many rural Deputies must be back in their constituencies. From what I can gather, we were meant to discuss it for an hour, but it has increased to two hours or perhaps more, however that happened. It is extraordinary. I was due to have many constituency clinic meetings in many pubs in west Cork today and although I am glad that others can carry them out, I will be back in Castletownbere this evening in McCarthy's bar for a clinic. They are truly great people.

**Deputy Mattie McGrath:** If it will still be open.

**Deputy Michael Collins:** I hope it will be. They are truly great people who look after their customers in great style in Castletownbere. I hope to get to the clinic before going to the Boston bar in Bantry.

I asked a question when I had the floor on this matter before. A number of years ago a Minister for Finance, when dishing out his budget, gave an extra allowance to the first two children but none to the third child through child benefit. The question asked at the time was what had the third child ever done to the Minister in school. What did the people of rural Ireland ever do to the Minister for Transport, Tourism and Sport that he feels the need to bring forward this Bill? Perhaps he has no idea of the hurt this is causing in rural Ireland, but he probably does. I thank him for visiting many community organisations in west Cork. We did not even raise the issue of the drink driving Bill, but they brought it up with us. It is the Road Traffic (Amendment) Bill or whatever else one might call it, but it is the drink driving Bill as far as the people of west Cork are concerned. No voice in all of the groups met by the Minister said it was a great idea. They all said to him not to dare to go ahead with it as it would cause ruin in rural Ireland. I can give one example of a bar in west Cork. I received the following email the other day and it is only right that I read it as it is very relevant. It reads:

Today is a sad day in a rural area in west Cork. We had a lease for a little bar in Ballylickey for the last four and a half years. We had a very good business built up here, with food, accommodation and bar. All for both tourists and locals.

When we took on the lease, I decided we needed a little minibus, an eight-seater, which we bought to collect customers and drop them home, as for us, we would not get taxis out here, which we felt was not a problem. We have our own bus, which did very well. It brought out the elderly people from their homes to meet with other people.

We are sad to say today we close the bar as we find the Garda checkpoints the morning after are very unfair. It has frightened these people in the rural area even to drive to mass



on a Sunday morning. They do not know and nor do I know if they are over the legal limit even though our last bus leaves our pub at 1 a.m.

The email continues:

I would like you to say this to minister Shane Ross. Come and live in west Cork for a week and just see what he is destroying to rural Ireland.

We had 12 local people employed. That's a lot in a rural area to find employment again. Thank you for taking time reading this message.

That was sent to me by a person who ran the Bridge Bar in Ballylickey, Bantry. That person ran a truly good bar, put the customer first and cared for customers such that they would not be seen to be drinking and driving home afterwards and now the bar is gone, no matter what effort was made for it. I asked a question when I spoke here last time about the rural-proofing of this Bill. I heard the Minister's speech. I was not in the Chamber when he was speaking but I was in my office in Leinster House and I carefully listened to what he had to say. When I spoke afterwards, I said that rural-proofing has turned out to be the biggest cod that was ever mentioned in this Dáil. Rural-proofing is resolving an issue before it comes ahead of the people. The Minister said in his speech that he was rural-proofing this Bill and that he was meeting organisations. He named a number of them and they were good, decent organisations, and he said he would meet them again. That is not rural-proofing. The Minister was meeting them and telling them what he was going to do. Nothing was put in place. Who is going to take the people from the surrounds of the Bridge Bar in Ballylickey to and from the pub? As nothing has been put in place for them, they have to stay at home. Addressing rural isolation has gone out the window. I ask the Minister, before this Bill goes any further, to prove that proper rural-proofing has been done for it and if there has not, the Bill should be put in the bin until a proper transport service is put in place to rural-proof it.

I mentioned the Leinster House bar in my speech here the last day and I will mention it again. If the Minister wants to show an example to the people of rural Ireland about drinking and the Road Traffic (Amendment) Bill, start here by example and close the bar here. That is where the Minister should start by example to show that he is equal. The Proclamation of the State says "Irishmen and Irishwomen". It does not say "Urban men and rural men" but "Irishmen and Irishwomen". Stand by the people in the Proclamation and stand over it. Rural Deputies, I was told by a speaker here, will be jumping up and down about this Bill. Of course we are because we live in and see every day what is happening in rural Ireland and this is a further infliction on the people of rural Ireland. A person who has a couple of pints drives home quite safely and has done so with no problem and is suddenly a criminal.

There are many reasons for deaths on our roads. One of the biggest I see is roadside trees. Why are we not putting forward a Bill or an instruction to the local authorities to fell every roadside tree over 2 m long? That would lead to a guaranteed saving of life. We have seen that there has been a loss of life due to overgrown trees. That is an issue that would get complete support in this country, including in rural Ireland, and I urge the Minister to look into that in particular. I have mentioned and shown to the Minister the issue with roads in west Cork and given him the opportunity to put forward funding for them. I have not seen what I would call proper funding for the N71, the R585 or the R586 since I was a child, which is a long time ago. The bottom line is that they are impassable and in some ways impossible to drive on. There is where there would be a saving of lives on our roads. I could take a person from the parish that

I am from, Goleen, on the main road to Cork, and that person would have an exciting time, with the length of time it would take, the roughness and the conditions of the road. There is no place to pass cars, which causes frustration for people trying to carry out their daily lives and daily work. I plead with the Minister to give proper funding for the roads in west Cork about which I am speaking.

To return to the Bill, rural isolation leads to mental health issues. Where in the Bill is the problem of rural isolation tackled? It will lead to further rural isolation. Think about it. How do those living in the countryside surrounding Durrus, Mizen Head, Castletownbere, Clonakilty and Bandon come and go from their community? Many collect their pension on a Friday and might like to have a pint or two, but they are petrified to do so. They have never caused anyone a problem in their life or broken the law. This will not be breaking the law, but it will make them look like criminals from now on. There is no transport service available and there is no point in me trying to bluff the Minister that there is. In my rural community the bus service to Cork leaves at 7 a.m. and returns at 8 p.m. If local people are not up at 6 a.m., they will have to stay in their houses. They are now not able to drive and enjoy a little a social outing.

Young people are plagued. They cannot get to do the driving test. The backlog is frightening. As we have no transport service available, how are they supposed to get out and about? The cost of motor insurance and motor tax is breaking them. Everything is being built against the rural person. Will the Minister re-examine the Bill and rural proof it? If he was to rural proof it properly, I would stand behind him. However, I will not for now. We are told that the vintners are against it. Of course, they are against it. They provide thousands of jobs for people living in rural areas. We should stand by them and not against them. Will the Minister consider them? The Bill will lead to the loss of hundreds of jobs all over the country.

I hear that the tax payments will pass through the Minister's office. I hope he will take the opportunity to allow people to tax their cars through post offices. We are losing our post offices, pubs, banks, creameries and churches. People are also leaving. There is nothing for young people in rural parts of Ireland. Why would they stay? They cannot have a drink, socialise or go anywhere. I ask the Minister to reconsider because it would be a great turnaround and boost the people living in rural parts of Ireland.

The Bill has not been rural proofed. There is no point in the Minister saying he is due to meet groups next week or the week after. The Bill should have been rural proofed before it reached the floor of the Dáil. Where a Minister says an issue has been rural proofed but it has not, the Bill should be binned immediately. That is where this Bill should be.

**Deputy Catherine Murphy:** I am a member of the Joint Committee on Transport, Tourism and Sport, which discussed this Bill. The sanction, rather than the limit, is being changed in the Bill, but we all know that it is no small deal to put someone off the road. Therefore, there has to be a good reason to do it. The committee considered a Road Safety Authority document, but we then invited representatives to discuss it because we were not sure about certain things in it. Others had also told us that facts we had been given were being misrepresented. We, therefore, invited them in and debated the matter in some detail.

The legislation should be based on evidence, particularly when this sanction is being introduced. I felt the Road Safety Authority had satisfied the test that there was evidence that this would make a difference. However, it will only make a difference if there is enforcement and not only at this level but also at the levels above. We saw the controversy surrounding the intro-

duction of mandatory alcohol tests, MATs, and how it had undermined confidence. The number of tests was so inflated that we could not say with certainty that the evidence had not been undermined. That is part of the reason the issue is not one confined to the Garda because in making public policy we have to rely on the information made available. We must have certainty on the number of roadside tests carried out. Without it, we cannot rely on the figures. There has to be some discussion between the Minister for Transport, Tourism and Sport and the Minister for Justice and Equality to ensure we can be certain that the figures we receive are absolutely accurate. I imagine that, with the amount of attention this matter has received, the Garda will be put on notice. However, there has been no sanction. One cannot change behaviour unless there is a sanction. I am very unhappy that there has been a proposal to have no sanction at any rank. At the most senior rank, where decisions are made, there most definitely should have been a sanction. It filters down to this kind of legislation and has a bearing on the reliability of the information we are receiving. I do not believe the approach taken is the correct one.

Behaviour & Attitudes was asked to produce a survey of public support. It found that 91% of Irish adults had indicated support for automatic disqualification of any driver caught over the drink-driving limit. A national survey of 1,000 people was conducted in January 2017. Of those surveyed, 61% believe that if a driver is caught over the drink-driving limit, he or she should be disqualified for more than 12 months. Some 89% of adults in urban areas and, interestingly, 93% in rural areas indicate support for automatic disqualification of any driver caught over the drink-driving limit. The percentage is higher in rural areas than in urban areas.

The issue is that people want to feel safe on the roads. Alcohol is a sedative and impairs driving. I asked questions about driving the morning after a night out, for example, because people are afraid of inadvertently being over the limit when tested. We were told that 14% of all alcohol-related fatal crashes happened between 6 a.m. and noon. Some 15% of alcohol-related fatal crashes involving a driver or a motorcycle happen in the same period. I felt there was sufficient evidence.

I have some sympathy for the point being made about the lack of transport in rural areas. I also have great sympathy for people who have experienced the death of a loved one, particularly where drink was involved. There is a very powerful advertisement on television that shows the carnage that changes people's lives forever.

We are not producing this legislation for some minor reason but because it will make a material difference by saving lives, albeit those of a very small number of people. It is important, however, that we achieve this.

I asked about mouthwashes and other products that contained alcohol, the use of which might result in people going over the limit inadvertently. I am satisfied from the information we received that there is no risk in that regard.

There is an argument to have a public transport system or service that does not leave people as isolated as they are. With our spatial patterns, it is very difficult to achieve this, which I completely accept. I would like to hear what the Minister has to say about what can be done in that regard. People living in rural areas will tell him what they believe will work. There are many good collaborative rural transport initiatives. I see some of it in parts of my county. If we are to have an evidence-based approach to the issue the argument falls on the side that it should be done, but there is no point in doing it unless the Minister is willing to make sure there is sufficient enforcement. There most definitely has to be an approach that at least addresses rural

isolation to the degree it can, because that is a very valid point.

**Deputy Kevin O’Keeffe:** The damage has been done already with the proposals of the Minister, Deputy Ross. He has put the fear of life into rural Ireland already. I wish to speak against the proposed Bill. Approximately 12 months ago we had a spike in road fatalities in this country. What followed was a knee-jerk reaction from the Minister, Deputy Ross, pointing the finger straight away at drink driving. Both he and his partners in Government, Fine Gael, claim there has been an upturn in the economy, which in turn led to extra vehicles on the road but that fact has been forgotten. What has been the Minister’s response in the past month? We have seen some major road fatalities involving heavy goods vehicles and cyclists at bad road junctions. That brings me back to my previous comment that the Bill before us is a knee-jerk reaction.

We all know about Donegal and how young people up there love cars. Road fatalities have been a feature of that county for years and we would all like to resolve the situation. On 6 May this year I read an article in the *Daily Mail* which included a comment from a road safety officer. He said he believed more deaths are imminent on the roads there. That is a sad situation. I did not hear the Minister respond to that comment on how to solve the problem of road fatalities in Donegal.

Like the previous speaker I am a member of the Oireachtas Joint Committee on Transport, Tourism and Sport. I am the Vice Chairman. The Minister attended a meeting on 8 February to outline his proposals. I was immediately taken aback. He said he intended to put people off the road. He said he was “concerned that in certain cases where people have breached the alcohol limit while driving, the awarding of three penalty points sends out the message that it is not a serious offence”. I tabled a number of parliamentary questions to the Department of Justice and Equality asking for figures to prove that road traffic legislation was being abused, namely, if there were many repeat offenders. The Department could not give me an answer. It does not have any figures. I was also told the Department did not have time to collate such information. I assure the Minister that anyone who gets caught will never forget it no matter what bracket they are in. I am aware of a recent case involving an elderly man in Tipperary who would have only two pints throughout an entire day. Going home one evening he was pulled over at a checkpoint. The bag was produced but it was not working properly and he had to be brought to the barracks. He had to wait for the results to come back to him. He collected them at the post office. He passed and he was fine, but that man will never go to the local pub again. The fear of life has been put into him.

We brought various bodies before our committee, including the Garda, which gave its side of the story. We also brought in many families of victims of road fatalities, listened to their cases and sympathised with them. No one condones drink driving. What we heard was like pitching someone like me from the Vauxhall League against a Premier League team: we are not fighting on a level playing pitch. The people who are responsible for victims and fatalities are drivers who should be put away in jail for life if they drink and drive with such levels of alcohol in their blood.

The current Minister of State with responsibility for sport is the former chairman of the committee of which I am a member. He came to the conclusion after all our consultations that we could not determine the matter. The committee was inconclusive on whether the Bill was necessary. Some members said it was, but others were unsure. The facts were not present to indicate that bringing forward this legislation was of any benefit. The Joint Committee

on Transport, Tourism and Sport was inconclusive on the matter. We did not say it should be brought in or that it should not.

We need to go back to the drawing board. We need a better and more detailed account of the matter. Representatives of the Road Safety Authority appeared before the committee and gave us plenty of figures. It is ironic. This time 12 months ago the Minister was down the throat of the chairperson of the Road Safety Authority. However, the Minister was not long getting the RSA back on his side for this legislation. The RSA produced with some figures, including from one survey which said seven out of ten people have a drink when they drive. Naturally, it sounds very bad. However, if the authority did the survey on the clergy, the same figure would be ten out of ten. That would be a major headline: ten out of ten clergy have drink on them because of their clerical duties.

**Deputy Mattie McGrath:** They say a few masses on a Sunday.

**Deputy Kevin O’Keeffe:** We argue about professional opinions. There are two sides to every story, and not only from the layman, gardaí and politicians. It also applies to professional people and academics. For example, Professor Jim Heffron provided an article entitled, “Drink-driving proposals inconsistent with the scientific evidence”. I will not go into the whole document unless I decide to filibuster, but that is simply an example of where someone says that we are going over the top again.

I come from rural Ireland. In recent years, I have seen how the original drink driving proposals have had an effect. We have seen many pubs close already. People have stopped going to them. I have cited evidence for the Minister already. A general practitioner gave me an example lately. He goes for a walk regularly and he has noticed changes since these draconian laws came in. He goes past an old cottage and beside it a pile of empty bottles and cans is growing every week.

Deputy Collins referred to mental health and mental illness. People staying at home on their own can lead to that and more thought needs to be given to the matter. When these people go to their local pub, they are drinking in a controlled environment. If they are consistent with the law, they will know with what they can drink and drive. However, if people go home and cannot go out, they will drink to eternity. Nowadays, people cannot go home after one or two. They will stay in the pub, drink for the whole night and hope to get a taxi home. The Minister is actually doing more damage to many more people.

Reference was made to the older person. The phrase I will use is that the Minister is killing a dying breed.

The younger generation takes a different approach to Irish culture. They go out only at weekends. At one time, GAA teams would have a few drinks in the local village after a match but that is no longer the case because of new fitness regimes and so forth.

The Minister is trying to plámás his senior partner in government, the Fine Gael Party, with gimmicks such as tax incentives, buses and other forms of transport. The only transport solution that would work in rural Ireland would be the introduction of driverless cars. The Minister should not try to cod his senior partner in government with gimmicks that will not work.

The proposed measure will affect not only rural areas, but also some towns and built-up areas of cities, including Dublin, where pubs are beyond walking distance for many people. I



took a taxi to a function in the Citywest hotel one night recently. As we passed a few pubs in Clondalkin, I asked the taxi driver what the story was with taxis in the area. He told me that taxi drivers would not work in the area because the fares would be too low and inconsistent and, therefore, unviable. The measure will hit big towns and cities and the leafy suburbs of the Minister's constituency where people live in Ireland's answer to the Champs d'Élysée. They too will be hit when they go for a glass of wine or a pre-Christmas drink. The Minister is not only hitting rural Ireland.

It is ironic that the Government was able to have the budget and other legislation passed quicker than this Bill, a one-page document which has been on the Minister's desk for the past eight or nine months. While I acknowledge this issue is taboo and it is hard to argue one's case because opinions differ on it, I ask the Minister to take a common sense approach. Everyone would respect him if did so because the legislation is not necessary.

The Minister accuses the Fianna Fáil Party of being in the pockets of the vintners. I spoke against his proposal at a committee meeting in February. The measure will not only impact on publicans. Restaurants and other establishments that serve meals and hold a licence to sell alcoholic beverages will also be affected. Many people like to have one drink with a meal. Young couples have big overheads and have to pay for a babysitter if they go out for a couple of drinks. This Bill will mean they will also have to pay for a taxi if they go out for a meal and one drink.

I will not define how much alcohol would put someone over the limit, whether it is two or three pints or whatever, as I am sure a mechanism will be put in place to let everyone know their limit in terms of what they can drink before driving. It is said the limit is approximately one and a half pints but I do not know if that is the case. All of us have different capabilities.

I will not dwell for long on the issue of the morning after. I heard a lady being interviewed on "Drivetime" recently. She was not a regular drinker but admitted having a couple of glasses of wine at some gathering or other. The following morning she assumed she would be fine to drive to work but she was pulled over and failed a breathalyser test. However, because the result fell within the 50 mg to 80 mg category, she was given a warning. She stated on the programme that she would never again drink late at night and drive to work the following morning. What I am trying to say is that the current legislation is doing its job.

If people drive the following morning and if they are caught and go down, they will know they were wrong. The former Minister, Mr. Noel Dempsey, included that proviso to safeguard people the following morning.

There are many matters I could talk about. Laws like this create a Trump factor. People feel they are not being listened to. That is why one gets an electorate who vote for the likes of Trump. They feel they are getting no respect from Kildare Street and its environ of bureaucracy. We in rural Ireland feel we are not being listened to.

In his deliberation, the Minister made the point that most road fatalities are outside Dublin. They are because we have the roads where the speed limits are up to 100 km/h, with motorways up to 120 km/h and by-roads up to 80 km/h. Dublin is a controlled zone with a limit of 50 km/h, reducing to 30 km/h in some places soon.

**Deputy Mattie McGrath:** It is already.

**Deputy Kevin O'Keeffe:** It is reduced already. I had better watch it so.



The Minister cannot make the analogy that those in rural Ireland are careless on the roads. We are not. We also have the problem, as I mentioned earlier, of bad roads and dangerous junctions. All such difficulties cause crashes.

I accept I am starting to repeat myself but I want to keep this alive. I would ask that the Minister give serious thought to this proposal and not drive it through. As I said, we need a bit of common sense. I re-emphasise it affects not only rural Ireland. It will hit the big towns and the city of Dublin. It will do more damage to the health of those who are stuck at home. We ask the Minister to focus on the other part of his brief - funding for roads, traffic-calming measures, proper kerbing, paving, etc., in the countryside.

The Minister, Deputy Ross, is also the Minister for tourism and he has control of Fáilte Ireland. Fáilte Ireland, in its advertising slogans abroad, invites people to come to Ireland - come into the parlour, there is a welcome there for them. It emphasises the lovely country pub with the old man on the high stool. One Easter weekend, I went to Glenbeigh and there were three men sitting on stools in the pub. They were not drinking at all and they were not smoking either. The smoking ban, which my party leader brought in, had already come in. I am a guilty person in that regard. I was struck by the commentary. These men could talk, tell stories and so forth. We must not lose that part of our culture. It is invaluable and it creates tourism. There is no point in talking about the Wild Atlantic Way or ancient Hibernia. People like to drive across the country and call into the pub at the crossroads or in the village, meet the locals and hear the proper stories.

The rural transport will not work. I have not spoken about them at all since I came into the Dáil but I commend the gardaí on the work they do. I sympathise with the gardaí on the ground for the hammering they are getting. They are doing their job. If one wants to be cynical about the number of breathalyser bags they claimed were used, one should ask why they could not use them. There are no cars on the road at night time and when there are no cars on the road, it gives robbers greater freedom of movement. When people go home from rural pubs, they are a hindrance to robbers but now the robbers have a clear way in the countryside because there is no one on the roads to deter them. Gardaí do a good job and should be given flexibility. We should not come down on top of them saying they do not do their job. They are doing a good job, on which I compliment them. During the recession they took some of the biggest hits in the cut-backs. In my local town after gardaí attend a crash scene to which the emergency services are called - I hope one that does not involve a fatality - they go back to the barracks and put on the kettle. They look out the front and see emergency service personnel going to have a three-course meal. Gardaí should be shown the same respect as others who provide invaluable services.

I implore the Minister to withdraw the Bill. In any case, I wish him a happy Christmas.

**Deputy Seán Canney:** I welcome the opportunity to speak to the Bill introduced by my colleague, the Minister for Transport, Tourism and Sport, Deputy Shane Ross.

I acknowledge that excessive drinking and drink-driving should not be tolerated. Too many people have lost their lives as a result of it and too many families have been left devastated by it. I meet people who have lost loved ones as a result of it. Therefore, drinking to excess and driving afterwards cannot be tolerated.

Today I have heard two members of the joint committee speak about the Bill and their de-

liberations on it. There are mixed views on the Bill as to whether it is correct to change the law to make it mandatory to put people off the road. It is a very sensitive issue. In my constituency of Galway East there are a huge number of rural communities and on a continual basis I have people coming to see me in my clinics to say the Bill goes too far. The view shared by many is that it is disproportionate in the sentence that will be handed down to people found to have alcohol in their system between the levels of 50 mg and 80 mg. The way to deal with the matter is to increase the penalties in place to make it more prohibitive and to give people the warning already highlighted. It happened to me once. I was bagged, as one might say, but I was fine because I had no drink taken. It is an unreal experience to be stopped by a garda and asked to blow into the breathalyser. It left me in a position where I was blowing into the bag and wondering when I had last taken a drink. I had not taken a drink for about two weeks before that, but the fear was in me and I knew one had to be so careful when drinking.

Many factors lead to road deaths, some of which have been highlighted by Deputies across the house. Speeding is one. There are speed limits which people believe are the speeds at which they have to drive. We should, however, be driving at a speed at which we can control our car. This factor is coupled with the state of the roads, especially in rural Ireland, which is not the fault of the Minister. For the past 15 years the roads budget has been decimated. We have a legacy that needs to be addressed in terms of poor road surfaces and alignment.

Every rural Deputy will relate to the issues posed by verge trimming and overhanging trees. During the recent storm there were three fatalities due to trees falling onto roads. Many trees on roadsides are probably unsafe. This issue needs to be addressed.

Some people drive under the influence of drugs, which is another issue that is not being brought to the fore.

In its current form, the Bill will have a serious impact on rural Ireland. The main issue is that it will be counterproductive in that there are many people who live alone. I know many such persons who go to their local pub to collect their pension. They may meet friends, have a drink or two and go home. This is the highlight of their week, apart from going to mass on Sunday or visiting the doctor, where they might meet someone else. They now live in fear which has been created by our discussion on drink driving and changing the law. That fear will lead to health issues, isolation, depression and a sense of not belonging. Their health will deteriorate which could be coupled with their buying bottles of whiskey and drinking it at home where no one sees or can control what they are doing. This issue has to be addressed.

We have many laws on drink driving, but their enforcement needs to be updated. Many breathalyser tests were recorded, even though they had never been carried out. There is a lack of faith in how the laws on drink driving are being enforced. This is not part of the Minister's remit, but it is a concern.

The Bill has raised the issue of rural transport, or the lack thereof. The Minister has been in office for 18 months and heard much about this issue. I welcome his engagement with stakeholders to try to devise solutions. Even though it is not official, what I read in the newspapers last Monday about a proposal to increase transport links in rural areas would not be sufficient, as it would only affect some counties. That document is probably under discussion.

As Deputy Michael Collins stated, under the programme for Government any legislation introduced must be rural proofed. I understand the Minister with responsibility for rural proofing

is the Minister for Rural and Community Development, Deputy Michael Ring. In that regard, I do not know whether he has carried out a process of due diligence on the Bill. I would like to know whether he has and, if so, to see a copy of it.

We have discussed how the rural transport system works, but, like many other areas throughout the country, mine does not have a rural transport service. It does not even have simpler things like bus stops. A bus will pass the door and one will have to drive 5 km to get on it. People travelling from Coldwood to Galway city have to drive 10 km by car because there is no bus stop at Coldwood to pick them up. Someone could walk 500 yd. to get on a bus. There does not seem to be any enthusiasm within Bus Éireann to provide bus stops. Traditionally, it provided bus stops in certain locations and that seems to be the way it works. It has not looked at the changing population in rural Ireland.

I was speaking to a journalist in recent days who arranged to meet a person at 9 p.m. because he could then get the bus home at 10 p.m. I told him that there were many people in rural Ireland who would be delighted to be able to get a bus home from work at 10 p.m. He takes it for granted. The older person or couple who want to go to the local pub and have a couple of drinks would love to be able to go to the pub at 8 p.m., have their drinks and get the bus home at 10 p.m. That service does not exist. There are no taxis. In my experience of rural transport, business people have tried to start up a community taxi service within a village or small town. It was tried in Dunmore, which Deputy Michael Fitzmaurice knows well. Those people went through the hoops to get a registered taxi service, only to be shot down when they looked for insurance. It was going to cost them €6,000 per annum to insure the vehicle. That option was ruled out.

All laws need to have a balance. The law of diminishing return applies as well. When we balance this Bill with the negative effects it may have on rural Ireland, we may decide that it needs to be looked at again.

Returning to the issue of drinking and driving, investment in education at national school level is where we should start. By the time these children reach secondary school, it is too late to start talking about drinking and the way people should drink. Most young people are drinking at that stage and they are developing their habits. It is important that we educate young people at national school level. Coupled with education about alcohol, we also need to educate them about how to drive, how to use the roads and speed limits. We need to instil that information into our youth at national school level. This week, there has been talk of introducing music into every school in a couple of years' time. As a matter of urgency, we should introduce a subject on alcohol, alcohol abuse, drugs, drugs abuse and drink-driving at national school level to start people off on the right foot.

I accept that drink-driving is a very sensitive subject. Ultimately, however, there is a need for balance in what we are doing. I know many people who are living on their own and who do not know what they are going to do to collect their pensions. There are people who are afraid to go to mass at 10 o'clock on a Sunday morning in Belclare if they have been out the night before for fear of being caught drink-driving the morning after. It is important that we examine the Bill. There has been much talk about it in rural Ireland. It has created much debate and has also instilled fear. The changes the Minister intends to make with this Bill could be counter-productive. Having read the report of the joint committee, I realise that there was no agreement as to the merits of the Bill.

This Bill goes too far. We need to look at it and balance it up. We also need further discussion on how this Bill will affect rural Ireland and how it can be rural-proofed to ensure we do not isolate more people. I accept there is no desire to do this but that might be an unintended consequence of this measure. The attitude to drink-driving in this country is different now to what it was when I was a teenager. At that time, everybody engaged in drink-driving and they got away with it. I recall that at 12 noon, after 11 a.m. mass, my local pub would be full and men would not go home for their dinner until around 2.30 p.m. or 3 p.m. Thankfully, that day is gone. I believe that current laws in this area are sufficient, with, perhaps, a re-examination of the penalties applicable to the 50 mg to 80 mg band. We inadvertently create laws that can be counterproductive and I believe this is such a law. The Minister, Deputy Ross, and I have discussed this issue many times. I respect his views on it but I ask him to consider the views of rural Ireland. It is important that as legislators we do not isolate people. I accept that this is not the intention but it could happen.

**Deputy Marcella Corcoran Kennedy:** I welcome the opportunity to contribute to this debate. I come from and live in rural Ireland. I can remember as a young woman going to the local pubs with my friends and seeing people who were very heavily intoxicated get behind the wheel of a car. As stated by Deputy Canney, this was the norm at that time. I can also remember very distressed people, wives, girlfriends and so on, trying to take keys from heavily intoxicated men because they did not want them to drive owing to the amount of alcohol in their systems. We now have evidence that alcohol is a psychoactive drug. It impairs a person's cognitive ability, vision and decision-making. Over the last number of years we have been putting in place legislation on the level of alcohol a person may have in his or her system while driving a vehicle, be that a motorbike, a car or bicycle. We have a great deal of evidence on the impact of alcohol on our systems, which I accept is different depending on sex, weight, height and whether or not a person has eaten.

Reference was made to people living in fear of not being able to drive the morning after an evening on which they have had a couple of drinks. My understanding is that it takes at least an hour to process one unit of alcohol such that if people go out for a meal and they have only a couple of units of alcohol they would not have too much to worry about the next morning. We need to be careful that we do not scare people into not going out and so on. I referred to my own experience as a young woman, what I have seen and the changes that have come into effect over the years. There is a generation of young people who would not dream of driving a car with any alcohol in their system. I know young people who live near me who would have a designated driver or they would get a lift to the local town and then get a taxi home. Drinking and driving does not enter into their consciousness at all. However, there are other people who do and, sadly, the evidence, which is what all the legislation we produce in here must be-----

**Deputy Mattie McGrath:** On a point of order, again, this Bill is being forced on us and it should not be discussed on a Friday in the first place. We are here but nobody other than one speaker from the Government side is here so I am calling for a quorum. We reduced the numbers required for a quorum yesterday to allow people to speak but we still cannot fill it.

**An Ceann Comhairle:** We will stop the clock and call Deputy Corcoran Kennedy as soon as the quorum is present.

*Notice taken that ten Members were not present; House counted and ten Members being present,*

**Deputy Marcella Corcoran Kennedy:** Before the quorum was called, I was talking about the many young people who would not dream of taking alcohol and driving at the same time. This is to be welcomed. They come up with their own solutions to it, particularly those who live in rural areas, and I very much welcome that.

This legislation has opened up a debate on rural isolation that is very welcome. In 1999, I ran for the local authority, which was my first foray into politics. One of the issues I raised at the time was transport, which was an important issue for me as a young woman with small children living in rural Ireland and having no access to transport of any sort during the day. I remember people asking me what I was talking about and saying that everybody had a car. However, I knew that while people may have had a car, they might not have had access to it when they needed it and so it became a very important issue for me. When the then Government introduced the rural transport scheme on a pilot basis, I was one of the founder members of my local rural transport scheme. It was an eye-opener to discover that I had identified the need that was there but when we started to ask people what they required, we discovered that the needs were even greater than we had anticipated. The scheme in question was the west-Offaly rural transport programme. We had runs that brought predominantly women into their local town. It then broadened out and many men started to use it. People used it for a variety of reasons. They used it to do their shopping and for the social journey in and out. They used it to go to the library or to go into the local town to have a cup of coffee. They used it for a variety of reasons. I know one couple who used it. The woman did the shopping and the man went to the pub for a couple of pints. They met up again at 1 p.m. and headed home. The scheme continues to work very well.

I was one of the members of the Fine Gael Parliamentary Party who talked about the potential of what is now known nationally as the Local Link in combating further rural isolation because the majority of services across the country only operate during the day. I have always been of the view that there is huge scope for Local Link services to run at night in order to give people access to their local hall for a drama show, to go out to play cards in their local community, go to the local pub, if that is what they want, or to visit somebody in their local village who they have not seen for a while. This has always been about making the Local Link bus available to people. The beauty of the Local Link service is that it is door to door. A very simple system was devised. All someone has to do is let the Local Link operator know that he or she needs the bus at a particular time on a particular day. The only time a person needs to call the operator again is if he or she is sick or something like that. The bus turns up like clockwork on the day.

In some areas, transport schemes developed further and began bringing young people to third-level institutions. We had a pocket of young people who were in a particular area and we got a hackney to bring them from their village to the nearest pick-up point so that they would get to Athlone Institute of Technology for the start of lectures.

There is a great deal of flexibility in the service. The operators are fantastic. The standard of the bus drivers and their staff is exemplary. All of them have done their training. They are the people who will know their customers best. The dedication of the drivers in the Local Link areas is fantastic. To digress somewhat, during the awful winter of 2010 they knew the older people and that they would be afraid to go out in the snow and ice. Those drivers went around and collected people's shopping lists, did the shopping for them and brought it back. That is how fantastic that Local Link service is, and I would advocate strongly for it. I was very happy when my colleague, Deputy Heydon, led the way with the idea and contacted the Minister, Deputy Ross, about the potential of the service. I sincerely hope that the National Transport



Authority, NTA, will consider this very carefully.

Again, we are looking at evidence. There is discussion about the busiest routes in respect of which Local Link operators believe there is potential. In the Laois-Offaly constituency, the Borris-in-Ossory to Portlaoise route has been identified in this regard. The last run on that route is at 6.10 p.m. and the Local Link operator is looking at extending it to 11.30 p.m. twice a week. The neighbouring one to me, which is one of our most successful runs, is in the Kinnitty area, where there is potential to have a service three days a week - Wednesday, Friday and Saturday - with the last run leaving at midnight. Currently, the last bus leaves at 5 p.m. The other route in the area is Portarlinton to Emo. Currently, the last run is at 5 p.m. but that may be extended to 11.30 p.m.

There is great potential in this because it allows people to feel safe. There is also the sociability that travelling on a bus together brings. There are people who never travelled on a bus because they did not have access to one or they had their car but, through infirmity, nervousness or age, they are no longer able to drive. They found that the journey on the bus, rather than the destination, was part of the enjoyment of the experience.

The involvement of hackneys in terms of supporting that door-to-door service is very important because what I am hearing is that people are concerned about rural isolation. That is the reason we should push forward with this proposal. It is older people about whom we are concerned. Many younger people would never think of drinking and driving. We need to examine the facts. If a life is saved as a result of this legislation, then it is right that we proceed with it..

We can consider the evidence and number of road traffic accidents there have been resulting in fatal collisions. Alcohol consumption was a factor in 38% of them. All these collisions involve individuals and families who are negatively impacted, whether they consumed alcohol themselves or it was somebody else who consumed the alcohol. We have to listen to the families involved in campaigning for safer roads to ensure that what happened to their families will not happen to the family of anybody else. Unfortunately, men are more likely than women to drink and drive. I welcome the Road Safety Authority, RSA, campaigns engaging with young people on many different levels, including what speeding does, as well as what alcohol and drug consumption can do. I commend it on the positive way it is engaging people. I notice its chairperson has been very concerned about the number of road traffic collisions, as well as the fact that alcohol is a factor in some of them.

Forensic evidence has been produced and we cannot just dismiss figures as if they mean nothing. Every figure is somebody who died and a person or families have been affected. There was forensic analysis of 867 fatal collisions indicating that alcohol was a contributory factor in almost two fifths of those collisions. It is something we cannot ignore. Of those, 286 people died and went to their grave, and that is not to mention the 69 people injured, some seriously, as a result.

I totally understand the concerns people have around the rural isolation of people and particularly older men and women. I am aware there are many widows living in rural Ireland and they are the most keen users of the transport services, as women live longer. Some women are of an age where they are unable to drive, having relied on husbands who died before them. They were suddenly isolated during the day as well as at night. They rely very heavily on family members. I genuinely appeal to people not to dismiss the potential of the Local Link. I hope the National Transport Authority, NTA, will run with this and let those pilot schemes go

on. The Local Link services have been there for a very long time and we should now look to expand the services into the evenings as well as during the day. It is only when one asks what people need that one finds the types of routes required and the number of people who will start to use them.

There were 947 people killed in 867 collisions and all these data were analysed. Alcohol was a contributory factor in 38% of driver deaths, 30% of motorcyclist deaths, 47% of pedestrian deaths and 42% of passenger deaths. The data indicate 86% of drivers and 51% of passengers not wearing seat belts who had consumed alcohol were killed. We must not forget that the motivation behind the legislation is to save people's lives. It is really important we remember that as well as the people tragically killed. Their families are certainly reminding us of them. It is also important to recognise that, unfortunately, young men are more inclined to drink and drive. We really need to encourage them to get away from the idea that somebody can be a very safe driver after consuming several units of alcohol. It is something about which we must be very careful.

We hear much about single vehicle collisions in our news reports and wonder how in heaven's name they happen. In fact, the evidence tells us that it is more likely to occur when drink-driving is involved and judgment has been impaired. We have to examine how best to deal with this. If one looks at other measures that have been taken over the years, the introduction of random breath-testing, for example, the number of drivers who tested positive at checkpoints fell dramatically. It was four out of every 200 in 2006, and it went down to one out of 200 in 2009, which is only a period of three years. It shows that it has an impact. The cross-Government, cross-sectoral Healthy Ireland approach, the whole drive of health and well-being in our society that others have referred to with regard to educating young people and so on are crucially important. Our actions really take effect and we find that there is a generation of young people who would not even dream of drinking and driving.

To come back to the pilot that has been suggested for the rural link, the cost would not be a lot. I understand it is approximately €1 million. That would provide over 11,000 extra trips around rural Ireland per annum, which is a significant number. I remind people that free travel passes are also accepted on local link buses so if people have a free travel pass, they will be able to use it. That is worth considering. I appeal to people to give this suggested solution to social isolation an opportunity. If I had listened in 1999 to people telling me that there was no need for rural transport, we would never have been motivated enough to apply for funding when the pilot scheme started and now we can see the huge benefits to it. Any kind of change in this type of legislation is always difficult but we must not forget about the evidence that exists and that we want to save people's lives, which is the driving force behind this.

**Deputy Danny Healy-Rae:** I sympathise with all the families who have lost loved ones due to drink-driving. I do not condone and never will condone drink-driving but I support the right of people right around rural Ireland to have a pint and a half and not lose their licence because of that. I travelled for four hours this morning to get here from Kilgarvan and it will be the same journey back. I would travel much farther, for weeks, to defend these people in rural Ireland that I am elected to represent. I would travel for weeks on end to defend their rights. Those people in rural Ireland have been neglected and the Minister is trying to hurt them further with this Bill. Why does the Minister hate the people of rural Ireland so much? What did they ever do to him? I know they did not wrong the Minister in any way but over the past number of days and weeks, he has tried to hurt and did hurt one family with his idea that the parents or whoever owns the cars of unaccompanied drivers should be jailed if they are allowed to drive.

The Minister has frightened one young fellow and his parents in Killorglin. This young fellow was driving to Kenmare for his apprenticeship. His parents got so afraid and frightened that they took the car off him and now he is at home with no prospects of a job. He has lost his place as an apprentice.

Why is the Minister trying to criminalise honest, good-living people in rural Ireland who have never done wrong to anyone? It is sad to think that people who are lonely will be made more lonely and more isolated because if one loses one's licence in rural Ireland, one is stranded forever. These people will not break any law. They have not been breaking it up to now. Perhaps they are in other places but they not been breaking it in rural areas. People who lose their licence are stranded and cannot go anywhere. As it is, many of these people would not know that their neighbours down the road were dead were not for the good service of the Kerry radio four times a day.

The Government's motto is to drive people out of rural areas, one way or another, and to bring them to Dublin where all the services are available but where the social life is not as good. When I listen to the radio, every morning and evening someone has been shot or stabbed and there is trouble with drugs. There is no end to it at all. The Government has no control of the situation, but what does it want to do? It wants to jam the place up altogether. It is nearly impossible to get in here in the morning or to get out in the evening but that is what the Government wants to do.

I met the Minister having a cup of tea on one of my first days up here. We were discussing the programme for Government and he told me that, even if he got everything he ever wanted, he would not join Deputy Enda Kenny and Fine Gael. However, he did. As far as I can make out, the only thing he got out of being Minister is Stepside Garda station and to be allowed bring this Bill before the Dáil to isolate and frighten the people in rural parts of Ireland.

I am amazed that more Ministers are not sitting beside the Minister today. Where are they gone? These people should be concerned with rural areas as well but there is no account of them today. What the Minister has extracted out of Fine Gael is a Bill to further isolate people in rural areas. That seems to be the price he got from Fine Gael. The amazing thing about it is that members of Fine Gael who are also from rural areas and have received support over decades from rural constituencies are now sacrificing all the grand people there to please the Minister. However, when they go to the doors they better not have the Minister behind them because their chances of being re-elected will be greatly diminished.

I will tell the Minister the truth. He has angered more people than I ever knew could be angry about the same issue. Whether towns such as Kenmare or Castleisland or villages such as Knocknagoshel, these places are totally angered by the Minister because they know this Bill to isolate them further is totally unnecessary and uncalled for. I am amazed there is no account of the Minister of State, Deputy Brendan Griffin. At a meeting of the Oireachtas committee, he posed several serious questions to the Minister and it looked like he was against the Minister's proposals. I am amazed that he is not here today. I hope and pray that he will not be the cause of inflicting these awful restrictions and regulations on the people of County Kerry.

The Minister has failed to prove that one and a half pints ever caused a fatality. Why did he have to use statistics from 2008 to 2012? We are five years down the road from them. The Minister said that 36 fatalities involving people within the 20 mg to 80 mg bracket occurred and he said that 19 of the 36 involved people who were within the 20 mg to 50 mg bracket. If we

are to believe the Minister, more fatalities were caused by those in the 20 mg to 50 mg bracket given 17 fatalities involved people within the 50 mg to 80 mg bracket. I tried several others and asked the Minister to give a breakdown as to who or what caused the fatalities in these cases. The Minister cited data protection guidelines. The period to which the data relate began nine years ago. I asked whether the fatalities were caused by someone who had taken a lot of drink falling in front of a motorist who had taken a pint and a half, or whether they were caused when some young fellow going home with one pint in him hit a bridge or pole because of black ice. The Minister gave no breakdown or proof, and he did not outline his method.

There is a lot of talk about soft and hard borders these days. How is it that Great Britain has an upper limit of 80 mg for driving? It is the same in the North, which is only up the road. There might not be two miles between an area in the North and an area in the South but a fellow in the North can have a blood alcohol limit of 80 mg while, according to the Minister's suggestion, a fellow in the South can have a limit of only 50 mg. What does the Minister have against the people of rural Ireland? What gripe does he have against them? He has a gripe against rural Ireland.

There is a man who said rural Ireland is a burden to the State. He was involved with the Central Bank. John Moran was his name, and I reject and resent his statement. The Minister is in the same vein as Mr. Moran. He feels the people of rural Ireland are a burden and the only thing he wants to do is to get rid of them altogether.

The Minister could do an awful lot more as Minister responsible for transport. Many lives could be saved. Owing to hedge-cutting regulations, people cannot walk or cycle safely at the side of any road. The Minister did not contribute on the Heritage Bill, which involved a lot of talk about hedge cutting and trees. It is his role to ensure our roads are safe or safer for the people who use them. There was an accident in which a beautiful, lovely young girl was killed in Glenflesk this week. The reason was not drink-driving but another that I will not cite today. The Minister will become aware of it in the fullness of time. The girl would not be dead if things were done that should have been done. It looks to me like the Minister or people in the Road Safety Authority have no interest in these issues. It is very sad to think that this lovely, beautiful young girl who should be alive is no longer with us. Her family, mother, father and lovely brother will never again be the same.

Funding for road maintenance is to be cut. The Minister, Deputy Ross, said he did not know anything about it when asked, yet he is the Minister for Transport. It is supposed to be cut by 10% or 12%. There is no drainage along any road now. It is not being done as it should. There is ponding along every road. When it rains - we are prone to rain - there is ponding of water, in Kerry in any case. Motorists who have to drive into a pool of water when meeting other cars lose control when the windscreen gets covered, resulting in accidents. There is to be less money for filling potholes. They cause accidents because motorists swerve out to avoid them when they know they are there for days.

Consider the matters of the speed limit review and the reduction.

I have asked the Minister for all those things before at the Oireachtas committee and he heard me raise it when we were negotiating a programme for Government. I also raised it on the television so he was bound to hear it. However, nothing has been done yet.

We then had a master idea from Deputy Martin Heydon who claims to be from rural Ire-

land. I inquired where he was from only to be told he is from Kildare. If he thinks he is from rural Ireland, I will take him around the Ring of Kerry, up into Glencar, back into Lauragh, up into the pocket in Glenmore and down into the Black Valley. If he thinks he is in rural Ireland, I will show him what rural Ireland is. The Minister mentioned 38 buses nationwide in his initiative. Why did he not try this first? I do not think 38 buses would cater for half of Kerry not to mind all of it. The Government should be encouraging people to live in rural areas not trying to get them out of it.

The Minister is welcome to come to Kerry at any time but he should ensure his car will not break down on the Ring of Kerry or on the top of Beale or at Kelly's Cross because I would be very afraid he would be there for a long time before anyone would pick him up if he is going to inflict this terrible rule and regulation for which there is no need in the world. I do not think anyone would tow him into Teddy McCarthy's garage in Sneem to get him going again because this is terrible. It is nothing to laugh about. It is a serious matter to be without one's car in rural Ireland. One has no hope of surviving without it.

It emerged at the Oireachtas committee that many people in rural areas are driving in the 20 mg bracket. The Minister did not know it when I said it to him. Many people in rural areas travel in vans, small tractors and jeeps and they are restricted to having less than 20 mg. The Minister said he would look into the matter, deal with it and sort it out because it is very unfair if one has only one vehicle and that means one is subject to the lower blood alcohol limit. The Minister did not know about that and I think he has forgotten about it.

It is very sad to think the Minister is going to do this to the fine people I represent in places like the Black Valley, Beaufort, Lauragh, Glenmore, Gleninchaquin, Tureencahill, Reanasup, Knocknaboul, Gleantan, Doctors Hill, Mangerton, Shandrom, Lomanagh, Clydagh Bridge, Loo Bridge, Dromtine, Bohocogram, Letterfinish and Sneem. It is sad to think of all the lovely people affected. I will give the Minister an example of one man but I will not say where he is. He is a 93-year old man who cuts his own turf. He worked for the State for 47 years. He is still working. He is living alone. He sets his own garden and does everything for himself. He washes his clothes. He drives to the pub to have two pints three times a week. If the Minister is going to deny him that I certainly will not be on the Minister's side and will never again look at the side of the road he is on because it would be a serious thing to do that to such a man, to deny him having his two pints. He cannot walk along the side of the road to the pub I am talking about, and there is no taxi. He knows it is safer to drive his car.

There is no mention about all the cyclists and pedestrians who have been killed because the roads are not fit for them. The 93-year old man goes to the pub for his couple of pints two or three nights a week. He will be stopped although he never broke the law in his life. Three pints were sufficient.

I know a man, a fine farmer. He was bagged ten years ago and he only had two glasses of Harp. He has not gone to his local since. The fright of God is on people in case they might lose their licence.

I appeal to the Minister not to do this. It appears that he has Sinn Féin and Fine Gael on his side and that he can do it if he wants. I can tell those Deputies without fear that many of them go into farmers' yards and rural yards. They have gone into them over the years, as did the people who came before them. They will get a rude awakening. Fine Gael is supposed to be up so many points in the opinion polls but that is probably here in Dublin and urban areas.



Anyway, they will get a rude awakening and so will Sinn Féin Deputies if this is what they will do to the people who elected them - they are letting those people down.

The law was strict enough. It is more than people have in the North of Ireland and England and more than they have in France. They pay a fine there in cases concerning levels between 50 mg and 80 mg. If the Minister wants to paralyse and isolate the people he has the power to do it but I will remind him of it every day that I am inside the Chamber.

There is much lip service about rural Ireland and that we are going to do this and that for it. All that has been done so far is talk. Pain, misery and misfortune are all the Minister is putting on people there. I am sad to think of all the grand letters the Minister wrote in newspapers over the past year. The Minister wrote a nasty letter about me down in Kerry when he had nothing else to do in the middle of the summer but the people did not think much of it. The Minister may write more but the people will think less of it and they will think more of me because of what the Minister is doing to them. I am defending them and I make no apology to the Minister, Fine Gael, Sinn Féin or anyone else.

This should not be put on the people of rural Ireland at all. I do not condone drink-driving and I never have. I have taken the keys off several fellows. I know what a pint and a half-pint will do to anyone. It does not impair their driving and I know it. Maybe the Minister does not know it, but I do because I have been behind the counter and going around the bars for long enough. I know that a pint or a half-pint has never been the cause of an accident. If the Minister cannot make a name for himself in any other way than by having this tagged to his name or if he cannot make a man out of himself other than by doing this to rural Ireland, then it is a sad day. The Minister has many other things that he could do but he takes the easy way out.

The Minister referred to bus links but he said he had nothing to do with buses when the country was at a standstill. At the time, the Minister was peeping out the window but he would not look at them or come out to sort it out. He was the Minister for Transport, Tourism and Sport at the time. The Minister has given over to Deputy Heydon the task of talking about rural link buses because he could not say he would do something about it as he is supposed to have nothing to do with buses. That is what the Minister told us. If the trains stop, the Minister has nothing to do with them either.

I am sorry, but I tell it as it is. The people are totally angered. What the Minister is doing is not necessary. I do not believe anyone asked the Minister for it; he thought of it himself. The Minister should stop it now while he can. If he puts this through, many people in Fine Gael and Sinn Féin have stated they will support it. I promise the Minister that they will regret it because they will get it around every door and corner. I have no problem in telling them what the Minister is doing because it is wrong.

**Deputy Eamon Ryan:** I regret that I stand with a different view to my neighbours in the rural alliance. I hope they will not mind if I take 20 minutes to explain exactly why it is that I am supporting the Minister on this occasion.

**Deputy Mattie McGrath:** On a point of order, we are not the rural alliance. Deputy Ryan should not contaminate us with the Independent Alliance. We are the Rural Independent Group. Can that be rectified?

**An Ceann Comhairle:** Yes.

**Deputy Eamon Ryan:** I would prefer if that was struck off the record.

**Deputy Fergus O'Dowd:** They vote the same way.

**Deputy Eamon Ryan:** I am glad that the Minister is here to hear my support. Unfortunately, he had to run out the door at the last minute when I was speaking on the climate Bill last night, so it is great to have a chance to impart some of my views to him in his full presence.

Much as I have listened to the arguments made by Deputy Healy-Rae and others, I support the Minister on this initiative. Sometimes people ask me why I am in politics, whether it ever does any good and whether I have ever achieved anything. Often I give one particular example of how politics can change things and that is in the area of road deaths. The Minister's speech refers back to 1997, when approximately 430 people were dying each year. As I recall, the number of road deaths each year in the late 1970s was around 600. Like many other Deputies and citizens, I had friends who were killed on the roads and I have also seen at first hand people being killed in traffic accidents. It is a source of great pride that we have managed to reduce the number of road deaths from 600 to 160 per annum in the past 30 years. However, the deaths of 133 people on the roads so far this year is an absolute tragedy for their families and, please God, I hope we will not see a spike in road deaths over the Christmas period.

The reduction in the number of road deaths occurred for a variety of reasons. Improvements in car safety and standards and the use of safety belts were significant factors, as were drink driving legislation and measures in the area of speeding such as ramps. No single measure is responsible for the reduction in the number of road traffic fatalities, which is the result of cumulative political effort by all parties. Road safety is an issue that affects all of us and on which there is no political divide.

I campaigned on cycling safety for many years - I still do, I suppose - and I was involved in the Dublin Transportation Authority. I have, therefore, a particular and direct experience of the need to make continuous changes to deliver further reductions in the number of road traffic fatalities. The Minister should go much further than the measure in the Bill. Some years ago, I did some research on the Swedish approach to road safety. I know we always hold up Sweden as a model for everything. Approximately 15 years ago, Sweden adopted a strategy of achieving zero deaths from road traffic accidents. It decided it would no longer refer to road traffic fatalities as accidents on the basis that they occur continually and that it would do everything possible to try to reduce the number of fatalities to zero. We should adopt this approach.

Strengthening restrictions on drink driving is one important measure and the Green Party supports the Bill for this reason. If people are honest, they will admit that even one drink impairs a person's judgment. We support the Minister's proposal to impose a more severe penalty, namely, disqualification, for drink driving. However, we must go much further. If the Minister is serious about road safety and wants to plant a flag to indicate it is the area of greatest achievement in his time as Minister, he must go further on the issue of speed because it is a factor in a large percentage of road fatalities. No one is innocent in this regard. As a cyclist, people often point out to me erratic behaviour among cyclists and they are right. However, they tend to overlook a statistic from the Road Safety Authority showing that the majority of motorists drive over the speed limit for the majority of time when on urban, residential and secondary roads. If we are serious about reducing road deaths, we must enforce the rules on speeding. I understand the Garda has reported that the 30 km/h speed limits in Dublin have been widely ignored since their introduction. The Minister states he intends to be strict on enforcing the law

on drink driving. He must also take action to uphold the laws on speed limits.

The Minister will recall in a previous debate that I listed off parts of his constituency in a manner similar to the way in which Deputy Danny Healy-Rae has just referred to every village in County Kerry. I could start with St. Columbanus Road and proceed to Frankfort Park, Meadow Grove and every street and residential estate in his constituency and then argue that we should seek to create conditions in these suburbs to allow children to play freely on the street. We should be reducing the speed limits. I grew up on those streets and know that this can be done. That is what we grew up with, in a sense, playing on the street. I would like to see that being part of the road safety strategy. By introducing and policing such a culture, in urban estates and on city centre roads where there are pedestrians, and, indeed, in rural Ireland, we will address road safety and encourage motorists to reduce speed.

If we are serious about road safety, we have to go further. It is not only about speed limits. It is about road design. I will use the usual examples. I have visited Holland on a number of occasions to see what the authorities there do in road design. One of the reasons the Dutch have been so successful in promoting cycling, pedestrians and public transport is they get the design of the street right. They start thinking about it as a street rather than a road and they begin designing. They put in trees, pinch points, chicanes or other mechanisms to calm traffic on a particular street. They create a much greener urban environment that starts the process of creating living streets. That designing of streets is what we need to do.

The position regarding distributor roads is similar. In the main street of the suburb of Ranelagh in my area, there is a very high volume of traffic, a huge volume of pedestrians and an even bigger volume of cyclists. Buses use the road as well. We were obliged to take a political decision regarding what we would do. We put in a cycle lane, which was great, but, because we are also concerned about other interests, it does not operate at night. This happens all over the city. There are cycle lanes in operation during the day but they no longer operate once it gets dark. This is to facilitate parking on particular parts of streets or roads at night or, I presume, to allow people to go to pubs and restaurants to drink or whatever. It is a political decision. At that pinch point in Ranelagh, the tightest point is 10 m wide. One is looking at perhaps 2.8 m or 3 m of a road margin, and a 1.5 m cycle lane on either side. It is down to political decision-making as to how one allocates that space. One can be creative. There is a need to provide loading bays for retailers, etc., because we want thriving shops, pubs and restaurants along the busy streets of our urban and rural village. We need to start designing differently.

More than anything else, we need to start designing for cycling. If we really want to take road safety seriously and protect cyclists - there have been 16 cycling fatalities this year - we should really start prioritising and creating - in our cities and towns and in the areas around schools - an environment to allow people to cycle safely. Citizens do not have the ability to cycle safely at present. In fact, there is wide consensus in the cycling community that matters are actually getting worse. The way the city centre Luas cross-city line has been introduced is an utter abomination in terms of the way cyclists were wilfully ignored. It was not as if the cycling community did not state at every step of the way, "Hold on a second here. At this section of road, you should be thinking about it differently. You have got to design it differently." Those in the community were ignored. They also have been ignored in terms of the lack of investment in cycling infrastructure in the Minister's budget. They are being ignored when it comes to difficult political decisions relating to the allocation of the space, be it on the Liffey quays or on the Sandycove cycle route. If we are serious about road safety and if we are to start with cyclists, then we have to execute a complete change in current policy and approach.

It is not only those cycling fatalities that one wants to prevent. One wants to be able to get other people out of their cars and onto bikes so that one reduces the threat of accidents and fatalities all round. There is nothing happening. It is going backwards.

I listened during Question Time recently when the Minister, Deputy Ross, was asked whether he could invest in this and he replied that he does not have the money. It is always the case that the Minister does not have the funding. All our funding is going on inter-urban motorways, which are massively scaled up above any potential future capacity use. This is being done because the motorways are a nice PPP model that IBEC likes because its members get a really nice pay-off for the construction work they do and they know how to do it. That is where all the money goes, in billions, yet we have only €110 million over five years for cycling initiatives. The Minister cannot wear the badge of Minister with responsibility for road safety as long as that policy continues. It has to change.

Investment in public transport is the other way we can get to a point where there are zero fatalities. The Luas is a fantastic service and it is both safe and quick. It does not block other traffic because 200 passengers fit into one Luas tram compared to the number of cars needed to carry the same number of people. It is safer and more efficient, but we do not have it at the required scale. Why do we not have plans to provide a light rail system in Cork and Galway? Why are we not looking to join all of the railway lines in Limerick and use the stations along them, which would avoid the need for people to drive and get them out of their cars? It would also be a quicker system. Every time we have introduced a new public transport system, people have flocked to it, but for some reason, officialdom and the political system, particularly Fine Gael, have no interest in public transport.

**Deputy Fergus O'Dowd:** That is not true.

**Deputy Eamon Ryan:** There is nothing happening. There is not a single rail-based public transport project ready to go to tender.

**Deputy Fergus O'Dowd:** That is because the Deputy's party destroyed the economy when it was in government.

**Deputy Eamon Ryan:** We kept the metro project in the four-year plan.

**Deputy Fergus O'Dowd:** The Government of which the Deputy's party was part destroyed the country.

**Deputy Eamon Ryan:** The then Minister, Deputy Leo Varadkar, now Taoiseach, got rid of it. It was to be funded by the European Investment Bank and ready to go. We would have had it for half the price we will have to pay in four or five years' time. It was ideology in Fine Gael's case because it does not believe in public transport.

**Deputy Fergus O'Dowd:** That is not true.

**Deputy Eamon Ryan:** It prefers the car-based, individualised system. That is what I see.

**Deputy Fergus O'Dowd:** We saw what the Deputy's policies were when his party was in government.

**Deputy Eamon Ryan:** I understand what my rural colleagues are saying when they talk about the difficulty posed by rural isolation. There is no doubting that it is an issue. In introduc-

ing these measures we have to listen to what they are saying and recognise that we have a real problem, particularly in the case of older people and those who do not have huge social outlets. We have to consider how we will maintain connections and a sense of community. It is a given that it cannot just be by insisting people have the ability to drink and drive home from the pub. If only in the current planning framework there was a serious, concentrated effort to bring life back to the centre of villages and market towns, particularly the smaller, 19th century market towns that are dying on their feet because they are not of a certain scale or big enough to have momentum. In addition to introducing such measures, we need to bring life back to the high streets where the shutters are down on shops and houses are empty. We should provide fibre broadband in all of these towns. Street-front houses should be reconditioned to ensure they are well insulated and have solar power panels on the roof in order that they will be an attractive prospect for young people in which to rear families. From such places they could walk to their local pub.

There are lots of downsides to the drinking of alcohol which, as we all know, has caused damage to every family in the country. I would not like to have a system under which everyone drinks at home. There is a social aspect to pubs which we should not lose. If people are to have a drink, I would prefer them to have it in the local pub with their families, friends and neighbours, rather than buying a bottle in the local Lidl supermarket and watching Sky at home and not having a sense of connection. That is important, but it will not happen with a laissez-faire, do-nothing national planning framework. It states it wants to bring life back to the centre of towns, but there is nothing in it that will deliver on that objective.

If we are serious about ensuring road safety, we also have to think about how we will tackle the problem of rural isolation for people such as older bachelors. Perhaps the new developments in town centres could have a mixed housing design and cater for people who would otherwise be isolated in, for example, rural homesteads that are no longer used as farms. They would be brought into the town centres and given a sense of community, but that will take Government initiative and action and local government action, funded by central government and other new funding mechanisms. That is what we have to do.

We must get the policing of this legislation right. It will be difficult to police because the policing system always tries to determine how to implement a law in a way that does not undermine confidence in either the policing or judicial system. Police must uphold and implement the law, but they do it in a way that is careful and subtle. That is one of the strengths of the Garda, although significant damage has been done to that capability by the way in which the penalty points system and the drink driving figures were distorted. I did not see or hear anything on this point, but perhaps the Minister for Justice and Equality, Deputy Flanagan, will attend during the Second Stage debate to articulate what he intends to change. Surely at this time, when the State's policing of drink driving and the penalty points system are in such disrepute, we would have a clear presentation as part of this Bill as to how the new policing arrangements are going to work. I hope that the Minister, Deputy Flanagan, will make a contribution on Second Stage next year so that we can get details in that regard.

Certain elements will change as we move towards a zero-death figure. Technology is changing, and we will move towards electric vehicles and a certain amount of automation. Increasingly, we will move towards a car-sharing model. Internationally, the latest thinking is that people will not own cars, but buy a certain number of miles, have drivers come to pick them up or share cars with a range of people.



The Minister, Deputy Ross, missed something in my contribution on climate solutions last night. I was making the point that we were missing out because of our blindness to climate change. Utter indifference to the issue is one of Fine Gael's other major flaws. We are missing out on the fact that there is a clean, new industrial revolution taking place in transport. All the leading experts and thinkers believe that there will only be a fraction of today's number of cars on the road in five or ten years' time because we will have moved to a model of shared ownership and shared passenger usage. If we had a government that knew what was happening in the wider clean industrial revolution in other countries, it would be easier to answer the question of how to get to the local pub. Countries are implementing this model and changes are happening because of the low-carbon issue. The Minister for Transport, Tourism and Sport should be considering that as one of the mechanisms.

My final point will reflect on those people who have died this year. The very first pedestrian killed in a road accident was an Irish woman by the name of Mrs. Bridget Driscoll. She was knocked down in London in the late 19th century. I believe that she was the first road fatality ever. It set a terrible marker for what was to prove in the 20th century to be a slaughter of people on our roads. It is because that slaughter must stop that we support this Bill, but we demand far more from the Minister such as investment in safe cycling infrastructure and public transport, planning and getting people back into our towns so that they can walk to the local pub, and setting out a new future for motoring in which people might not even have to drive because they would be part of a cheaper, better and cleaner new social service.

**An Ceann Comhairle:** I call Deputy O'Dowd. At 2.30 p.m., I will ask him to move the Adjournment.

**Deputy Fergus O'Dowd:** Every year, we have a ceremony in Drogheda to commemorate those who have lost their lives in road accidents. We have a packed church of 600 people. Each family places a lighted candle to commemorate the person they have lost. Regrettably, that number is growing every year. This year, 12 people in County Louth have died as a result of road accidents.

A Deputy opposite recited parishes and placenames, but we should be reciting the names of all those who have lost their lives in road accidents. Accidents in which alcohol was involved claimed a large proportion of those lives. Deputy Danny Healy-Rae spoke about unaccompanied drivers and the injustice this Bill would visit on them, but the facts are that between 2012 and 2016 there were 42 fatal accidents involving unaccompanied drivers. There is a real reason for the change the Minister is bringing in, and it is not without good cause. I understand that this year there has been a very significant increase in the number of unaccompanied drivers involved in fatal accidents.

Last year in County Kerry seven people died in road accidents, which sadly is the exact same number who died in County Louth. They are lives which were lost both in Deputy Danny Healy-Rae's county and in mine. The counties are different in terms of their geography and their drivers, but one common point is that in the studies that have been done between 2008 and 2012, seven is the exact number of people who die every year in fatal road accidents and are at the reduced alcohol limit.

This legislation is necessary. People are dying because they are involved in accidents having consumed that amount of alcohol and this legislation is about changing that. It is not about hating anybody, or about hating rural Ireland, as Deputy Danny Healy-Rae says. It is about

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loving life, protecting it and keeping families and everyone else safe on the roads.

Debate adjourned.

The Dáil adjourned at 2.32 p.m. until 12 noon on Tuesday, 12 December 2017