



DÍOSPÓIREACHTAÍ PARLAIMINTE  
PARLIAMENTARY DEBATES

**DÁIL ÉIREANN**

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

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## DÁIL ÉIREANN

*Déardaoin, 5 Iúil 2018*

*Thursday, 5 July 2018*

Chuaigh an Cathaoirleach Gníomhach (Deputy Eugene Murphy) i gceannas ar 10.30 a.m.

*Paidir.*

*Prayer.*

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### Ceisteanna - Questions

#### Priority Questions

**Acting Chairman (Deputy Eugene Murphy):** I remind the House that there are six and a half minutes for each question - 30 seconds to put the question, two minutes for the ministerial reply, one minute for on supplementary question, one minute for one ministerial reply, one minute for a final supplementary and one minute for a final reply. I am very strong on sticking to the guidelines because if we do not, there are Members who will not get to ask their questions. I will let Members know when their time is up and ask for everybody's co-operation.

#### UN Conventions

1. **Deputy Jim O'Callaghan** asked the Minister for Justice and Equality when Ireland will ratify the optional protocol to the convention against torture which was signed up to on 2 October 2007; and if he will make a statement on the matter. [29922/18]

**Deputy Jim O'Callaghan:** I will try to keep within the time limits the Acting Chairman has prescribed. The question to the Minister for Justice and Equality concerns the optional protocol to the convention against torture. The Minister will be aware Ireland signed up to the optional protocol nearly 11 years ago, on 2 October 2007. However, we still have not ratified it. Why has Ireland not done so? When does the Minister think we will ratify it?

**Minister for Justice and Equality (Deputy Charles Flanagan):** As the Deputy will be aware, Ireland ratified the UN convention against torture in 2002. This and previous Governments are fully committed to the convention and have fully participated in all that its ratification entails. The optional protocol to the convention against torture, OPCAT, dates from 2007. It is in addition to the convention and designed to be preventive in nature. I am fully committed

to its ratification. My Department is preparing the inspection of places of detention Bill, with a view to enabling ratification of OPCAT as soon as possible. In October 2017 officials in my Department attended and participated in a round table discussion at the launch of the research of the Irish Human Rights and Equality Commission, IHREC, into the implementation of OPCAT in Ireland. The research which comprised a comprehensive report prepared by the Human Rights Implementation Centre and accompanying submission by the IHREC outlined the commission's position on what should be the primary considerations for the State in making progress towards ratification and implementation of OPCAT and set out recommendations for the designation and co-ordination of a national preventive mechanism under OPCAT.

The IHREC's research was circulated by my Department to relevant stakeholders for their comments and observations. The stakeholders comprised organisations with policy or operational responsibility for inspection arrangements across the ambit of the national preventive mechanism regime provided for in OPCAT, which goes beyond the justice sector. The last of these submissions was received in April 2018 and my officials are in the process of giving them full consideration. The process will conclude this month and a meeting has been arranged with the newly appointed Inspector of Prisons to discuss the future role of the inspector's office as part of the implementation process. This engagement will inform the development of the draft inspection of places of detention Bill to enable ratification of OPCAT. It is my intention that the draft scheme will be finalised in the autumn in order that I can bring it to the Government before the end of the year.

**Deputy Jim O'Callaghan:** This week we launched our campaign to have Ireland elected as a member of the Security Council a number of years from now. I very much support that campaign. For the purposes of the campaign, we have gone about informing our colleagues in the international community that Ireland is a country that complies with the highest standards of human rights and general international standards as set down by United Nations conventions. It is absolutely essential that we ratify the optional protocol that was signed in 2007. It is welcome that the Minister has indicated that that will be done, but urgency needs to be brought to the matter. The optional protocol was signed by Ireland as far back as 2007 and no real explanation has been provided for why it has not yet been ratified. The Minister is correct. What needs to be established in statute is a national preventive mechanism. We are in a situation where very many people are detained in this country. They can be detained in police stations, care institutions and elsewhere. We need a mechanism in place to provide protection for them.

**Deputy Charles Flanagan:** I acknowledge what the Deputy has said about Ireland's campaign to seek a non-permanent seat on the UN Security Council in 2021-2022. I take from what he has said that it is a position that has the support of the main Opposition party, which I welcome. It is important in the context of Ireland's standing on the international stage. I acknowledge the importance of the attendance of the Taoiseach and the Tánaiste in New York earlier this week. My Department has been and is actively engaged with stakeholders on ratification of this instrument. We have recently completed consultations on IHREC's research into the matter. We are due to meet the Inspector of Prisons before the end of this month on the role Ms Gilheaney's office can play in ratification of the optional protocol. It is an important role. I recently met the inspector. I am very anxious to report progress on the matter before the end of the year and will keep the House fully informed of developments in that regard.

**Deputy Jim O'Callaghan:** It is welcome that the Minister and the Government have emphasised the importance of Ireland's standing on the international stage. I hope he will also bring these principles to bear when he is considering the GRECO report which the Cabinet

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will consider today in the context of the Government's other proposals. On the ratification of OPCAT, it is worth pointing out that last year the United Nations Committee against Torture noted that existing bodies such as the Health Information and Quality Authority, HIQA, the prison visiting committees and the Inspector of Prisons do not automatically carry out visits to all places of deprivation of liberty such as Garda stations, residential care centres for people with disabilities, nursing homes for the elderly and other care settings. We have seen recently, from a decision of the Court of Appeal, that many people are kept within care institutions. We have to ensure the highest standards apply in respect of their protection and for people held in Garda stations. I ask that urgency be brought to ratifying this so that we can have full respect within the international community.

**Deputy Charles Flanagan:** On the Deputy's observations on the GRECO report, I expect that document will be published and available as early as possible after lunch. We will then have an opportunity to resume debate in the Seanad on this issue and, I hope, in this Chamber as well before too long. I acknowledge what the Deputy said because he makes an important point regarding OPCAT responsibilities in areas outside of the Department of Justice and Equality. My Department is liaising with several other Departments on implementing OPCAT and continues to facilitate the progression of this legislation. It is, however, a matter for each of those Departments and their Ministers to determine what facilities fall within their remit. It is my intention to bring a memo to Cabinet not this session but in the autumn and I hope to have a general scheme of a Bill published and debated before Christmas.

### **Direct Provision System**

2. **Deputy Donnchadh Ó Laoghaire** asked the Minister for Justice and Equality if he will address the adoption of the Reception Conditions Directive and further issues in the direct provision system. [29923/18]

**Deputy Donnchadh Ó Laoghaire:** The decision announced last week allowing those requesting asylum to seek employment was significant. I was very critical of the interim arrangements and the experience of those who applied bears that out. There were only two applicants and one of those withdrew. It is positive that what has been announced is a far more substantial scheme. There has still been some criticism of it, specifically regarding timescales and those currently going through the appeals process.

**Deputy Charles Flanagan:** On Thursday last, the Minister of State, Deputy David Stanton, and I announced details of the coming into effect of the EU (Recast) Reception Conditions Directive 2013 which includes enhanced access to the labour market for asylum seekers. In summary, eligible applicants will have access to all sectors of employment, with a small number of exceptions. The directive has much broader impacts on the wider protection system and includes important provisions regarding health, education, children's rights and material reception conditions including housing, food, clothing and a daily expense allowance. The directive came into operation on 30 June following my signing into law of the relevant statutory instrument giving effect to the provisions of the directive. It replaces the limited access to the workplace introduced back in February which, as I indicated previously, was only ever designed as a short-term temporary measure.

Last year the Supreme Court found that an absolute ban on the right to seek employment for asylum seekers, where there was no time limit in the decision making process, was unconstitu-

tional. The Government availed of this opportunity to broaden the scope of reform required and committed Ireland, with the approval of the Oireachtas, to opt-in to the directive, aligning our position with EU norms and standards. Under the directive, asylum seekers will have access to the labour market nine months from the date when their protection application was lodged, if they have yet to receive a first instance recommendation from the international protection office and if they have cooperated with the process. That permission covers both employment and self-employment and will be granted to eligible applicants for six months, renewable until there is a final decision on their protection application.

Access to the labour market will assist international protection applicants, who are ultimately successful in their application, to integrate more easily into society. For those who do not qualify, it will provide them with an income and skill sets to take with them on their return to their country of origin. It will also allow those with means to move out of State provided accommodation and provide for themselves from their own resources should they wish to do so.

*Additional information not given on the floor of the House*

An information campaign has commenced to ensure that applicants, employers, trade unions, NGOs and all other relevant bodies are fully informed of the labour market access and eligibility arrangements that will apply. Full details and an application form are also available on the INIS website, [www.inis.gov.ie](http://www.inis.gov.ie).

Participation in the directive builds upon the existing programme of reforms to ensure that applicants are treated humanely and with dignity and respect while awaiting a final decision on their protection application.

**Deputy Donnchadh Ó Laoghaire:** This is a significant advance. I commend those organisations that campaigned for this. It was not a short campaign and, while the Minister responded in a good spirit to the decision of the Supreme Court, it did ultimately take a Supreme Court decision to bring the Government into this space. I commend the Immigrant Council of Ireland, the Migrant Rights Council, Nasc, the Irish Immigrant Support Centre, the Movement of Asylum Seekers in Ireland, MASI, and many others. I particularly commend the Rohingya man who took the case of NVH versus the Minister for Justice and Equality.

Notwithstanding that it is a significant advance, the Minister has not responded to two difficulties with the scheme as announced. The first is that I would have preferred an entitlement to work after a six month period rather than the nine months that has been decided. That would have been in line with what the Immigrant Council decided. More significantly, I am disappointed that it appears that those who have already received a negative first instance decision from the international protection office will be excluded regardless of how long they have been here. That means the international protection appeals tribunal has significant delays and this will mean that some of the people who have been here the longest, a large category of perhaps several hundred people, will be excluded from the scheme and will not be able to avail of the right to work.

**Deputy Charles Flanagan:** Deputy Ó Laoghaire will be aware that the EU (Recast) Reception Conditions Directive requires that access must be provided no later than nine months. To facilitate speedy processing of applications for labour market permission, my officials will accept applications from eight months and permission will be valid immediately from the ninth month. In consultation with Government colleagues, I will review all of the arrangements for

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access to the labour market, including the nine month period, one year from now. This will provide sufficient time to assess the effectiveness of the current arrangements. It is important, in the context of international protection, that we ensure that we can have an early and speedy determination. I am keen that such a determination will be made, in the first instance, within a period of nine months, or shorter if possible. It is important for everybody involved that there be an early decision-making process. I am happy to receive submissions at any stage over the course of the year on any issues and I would be happy to hear from Deputy Ó Laoghaire about any concerns that either he or his party might have. I will review the process 12 months after the regulation comes into effect.

**Deputy Donnchadh Ó Laoghaire:** That is all very well from here on but I am referring specifically to a category of people who have not already received a speedy decision. They have already been living in Ireland for a period of years and they will still not have the right to work. That is significant. The other point is that a lack of a right to work, and we must not lose sight of this, was a denial of the dignity of residents in direct provision centres and asylum seekers. That was a major criticism of the direct provision regime but it was not the only denial of dignity within that regime by any means. The Government has to go forward from here and outline its intention to transform the system and move away from the direct provision system. I acknowledge the point regarding the optional protocol under the UN Convention Against Torture and it is important that will have the scope to take in direct provision centres.

A notice, however, was posted in a direct provision centre in Newbridge last Friday banning the use of electronic devices in bedrooms during the night. That does not indicate a location with the kind of liberty desired. It is important that people have autonomy. I will finish on this-----

**Acting Chairman (Deputy Eugene Murphy):** The Deputy is way over time.

**Deputy Donnchadh Ó Laoghaire:** Very well, that is fine.

**Deputy Charles Flanagan:** The import of the Deputy's question, in short, is why do we have this system of direct provision and are there any plans to replace or abandon this system. Quite clearly the direct provision system encompasses a range of State services, including food, accommodation, health and education directly provided to international protection applicants through all of the relevant Departments and agencies. It is a whole of Government support system for those seeking international protection in the State, although the term is more often used to describe the accommodation centres provided by the Reception and Integration Agency of the Department. Notwithstanding the criticism levelled at the system, particularly in terms of length of stay, it has proven effective in ensuring those who come to our country seeking international protection receive food and shelter and have immediate access to our State services. More than 60,000 people have been provided which shelter since its inception. It is not possible to predict how many people may arrive in any given year seeking international protection. However, the system we have ensures all applicants can be offered immediate shelter, accommodation of a full-board nature and a range of services such as health and education while their applications are being processed. I am very keen to ensure the time in which the application is being processed is as short as possible.

**Acting Chairman (Deputy Eugene Murphy):** I appeal to everyone to try to keep to the time limits. I will not hit people over eight, ten or 12 seconds, but if we do not stick to them it is not fair to other Members.

*Dáil Éireann*  
**Crime Data**

3. **Deputy Jim O'Callaghan** asked the Minister for Justice and Equality if he will address the fact that Central Statistics Office figures show an increase in sexual offences of almost 15% in 2017; and if he will make a statement on the matter. [29826/18]

**Deputy Jim O'Callaghan:** Last week the Central Statistics Office published its recorded crime figures for the first quarter of 2018. Those figures reveal that in respect of sexual offences there was a 14.7% increase of recorded crime. When we consider this in light of the figures from the previous quarter, that is the last quarter of 2017, there appears to be a significant increase. The figures for the fourth quarter of 2017 showed a 17% increase in sexual offences, with a 28% increase in rape. What are these figures saying to the Minister and what, as Minister, does he intend to do about it?

**Deputy Charles Flanagan:** As I stated last week when the latest crime statistics were released by the CSO, the rise in the recorded incidents of sexual assault, and particularly incidents of rape, is something the Government continues to take very seriously. Those found to have committed such abhorrent crimes will face the full force of the criminal justice system.

While the Deputy will appreciate that the investigation of sexual offences is conducted by An Garda Síochána in the first instance, the Government has also moved to strengthen the legislative provisions in place to deal with these crimes. In this context, the Deputy will be aware that the enactment of the Criminal Law (Sexual Offences) Act 2017 was a significant development of the law on sexual offences, putting in place a statutory definition for consent to a sexual act. This definition is both clear and wide-ranging, to ensure that the law is succinct and clear in what constitutes rape in this jurisdiction. Furthermore, the Act identifies those most vulnerable to sexual exploitation and it targets those who would take advantage of that.

In addition, the Government recently approved the drafting of two further pieces of legislation. These are the criminal law (sexual offences) (amendment) Bill, which will provide for presumptive minimum sentences for repeat sexual offenders, and the sex offenders (amendment) Bill, which proposes a number of amendments to the Sex Offenders Act 2001 following a review of the management of offenders under that Act. The scheme also includes provisions for the electronic monitoring of sex offenders, and court powers to prohibit a sex offender from working with children. It is my hope that both pieces of legislation will be progressed through the Oireachtas as expeditiously as possible. I am, of course, very open to improvement of these Bills by amendment as they go through the Houses

I assure the Deputy that the Government remains committed to ensuring a strong and visible police presence throughout the country in order to maintain and strengthen community engagement and provide reassurance to citizens. I assure the Deputy not only about my concern at these latest figures but also on my commitment to act to ensure that we, as Government, do our best in the circumstances.

**Deputy Jim O'Callaghan:** The continuing increases are very worrying. The reason for them may be twofold. It could be because there is greater public confidence and people, particularly women, are coming forward to make complaints. However, there is an alternative explanation for it, which is that, regrettably, the incidence of sexual offences, including rape, is on the increase. We need to identify what is the cause of it and this requires further research. It would not surprise me if it was the case that the rate of sexual offences is on the increase

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when we consider the fact that very many young men are learning about their sexuality from the Internet and pornography on the Internet, which presents women in a very submissive and malleable way. We need to be very careful about these figures. It is not just a matter for An Garda Síochána. It is a matter for policy makers. We need to ensure there are greater resources and training for An Garda Síochána. The Garda and the State need to work more co-operatively with the Rape Crisis Centre and we need to provide greater support for complainants. If I walk out of here and I am assaulted there is no doubt that I will report it to the Garda. Unfortunately, it appears to be the case that very many female victims of sexual offences do not make complaints because of concern about the arduous nature of what is involved.

**Deputy Charles Flanagan:** The Deputy has raised a number of issues. I assure him that in terms of Garda resources I am very conscious of the unprecedented level of resources made available to the Garda Síochána in the current year. I am very keen this will continue. The Deputy made a very important point insofar as determining the causes of the increases in the statistics. In this regard I announced in the aftermath of a well-publicised rape trial in Belfast a review of the investigation and prosecution of sexual offences. That review is examining all aspects of the investigation and prosecution of offences to ensure there is a compassionate and fair system in place. I agree with Deputy O’Callaghan when he speaks about the need to ensure an atmosphere of toleration on the part of complainants. I have to say the review will be taken forward by the Department in consultation with relevant agencies in the criminal justice sphere, many of whom I have already met, and I will be very happy to keep the House updated in this regard.

**Deputy Jim O’Callaghan:** When victims of sexual offences and rape are interviewed after the trial process has completed they state they find the whole process very harrowing and a very surprising experience. I introduced legislation last week to amend the Criminal Justice (Victims of Crime) Act to provide a complainant at the earliest stage with advice and information in respect of what the process would involve. Will the Minister look at this carefully? It is necessary that we provide greater support to complainants and victims of sexual offences at an early stage. It is simply the case, and I do not know the explanation for it, that people who are the victims of sexual offences and rape do not approach the Garda with complaints with the same enthusiasm as other individuals who are victims of other crimes. There is a reason for this. I welcome the review the Minister has indicated is ongoing. A similar review is going on under Lord Justice Gillen in Northern Ireland and I ask that we also take into account his conclusions when his report is published.

**Deputy Charles Flanagan:** I would be very keen to do so and in that regard I would welcome an early return of the Executive in Northern Ireland to allow me interact on a face to face basis with an appropriate colleague in the Executive.

To ensure that victims and complainants feel comfortable coming forward to report their experience it is important that we have sufficient training on the part of the Garda. In that regard I want to point out the establishment of the National Protective Services Bureau to oversee the investigation of a range of crimes, including sexual offences. The divisional protective service units are staffed by dedicated officers and will include the investigation of sexual offences in their remit. To date the training in these units has concentrated on domestic abuse. I am very keen this will move forward. I acknowledge the importance of the training workshops and I assure the House that every effort will be made to ensure the Garda Síochána has an appropriate level of resources to facilitate a level of training that accords with best international practice.

*Dáil Éireann*  
**Sentencing Policy**

4. **Deputy Danny Healy-Rae** asked the Minister for Justice and Equality if longer sentences and stiffer penalties for criminals who break into homes of elderly persons will be introduced; and if he will make a statement on the matter. [29824/18]

**Deputy Danny Healy-Rae:** To my mind one of the worst crimes that happens in our communities is where the homes of elderly people are broken into and robbed and the elderly people are assaulted. They have given their lives to bring our country to where it is. This is the most unsavoury crime that happens.

I call on the Minister to treat this as such and ensure the severest penalties possible will be meted out to these criminals and that they will be put away for a long time in order that they will not perpetrate these crimes on elderly people again.

**Deputy Charles Flanagan:** I agree with the Deputy that burglary is a most serious offence. I am mindful of the impact it can have on a victim, particularly a victim who is elderly or vulnerable. Reflecting the seriousness of the crime, there are stringent penalties in place for burglary offences. Under the Criminal Justice (Theft and Fraud Offences) Act 2001, the offence of burglary is punishable by up to 14 years' imprisonment. Aggravated burglary, where a weapon is involved, is punishable by up to life imprisonment. The Criminal Justice (Burglary of Dwellings) Act 2015 was introduced by my predecessor specifically to target repeat offenders, with provisions on consecutive sentencing and bail.

Within the parameters set by the Oireachtas, the sentence to be imposed in a given case is a matter for the courts. The Deputy will be aware that judges are independent in the matter of sentencing, subject only to the Constitution and the law. The court is required *11 o'clock* to impose a sentence which is proportionate, not only to the crime but also to the individual offender, in the process of identifying where in the sentencing range the particular case should lie and applying any mitigating factor which may be present. The vulnerability of a victim, including vulnerability by reason of age, may be regarded by the court as an aggravating circumstance.

The Deputy may be aware of recent judgments by the Court of Appeal which set down sentencing guidelines for burglary and robbery. In this jurisprudence the court stated that if a considerable number of aggravating factors were present, it would raise the offence to the highest category, meriting a sentence of nine to 14 years before mitigating factors could be taken into account. In addition, I have indicated that I will be bringing forward amendments to the Judicial Council Bill 2017 which will address the matter of sentencing guidelines more generally. The amendments are close to finalisation and I am satisfied that they will strengthen the provisions contained in the Bill which provide for a sentencing information committee.

**Deputy Danny Healy-Rae:** A home is a person's castle. I will outline two incidents. Johnny is an elderly man. There is a straight laneway of half a mile to his house from the public road. If someone opens the gate and proceeds along the laneway, he is watching at the window. He goes into an outside shed to peep around the corner to see who has landed in his yard. He will not make himself available if he does not know the person. That is how afraid he is after his house was broken into while he was at Mass. Two brothers, Tim and Joe, were robbed recently. Now one of them sleeps while the other stays awake to watch because they are afraid that they will be robbed again. Regardless of the figures and the sentences the Minister mentioned,

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many of these crimes are being committed by people on bail. Someone who has a record and is caught again should not be granted bail again. There should be mandatory, not discretionary, sentencing. I am calling for mandatory sentencing where old people's lives are changed forever when someone enters their home and robs or beats them. No discretion should be allowed in how they are dealt with.

**Deputy Charles Flanagan:** In the time available I will not repeat what I said on sentencing. I sympathise with Johnny, Tim and Joe. There are Johnnys, Tims and Joes in every constituency. I am concerned to ensure there will be special initiatives to tackle crime, especially in rural areas. In addition to the extensive policing measures being implemented as part of Operation Thor, An Garda Síochána is also supporting a number of partnership initiatives to tackle categories of crime which particularly affect rural areas and elderly people.

In dealing with the theft of tools from tradespeople and machine equipment in general, I acknowledge the importance of TheftStop which has been designed to deter criminals from taking and selling farm equipment and other machinery by ensuring it is clearly marked with a unique identifier. I am also aware that An Garda Síochána and the Construction Industry Federation recently launched a "Secure It, Keep It!" initiative in County Cork which adjoins the Deputy's county. I send a strong message to communities that they should work closely with An Garda Síochána to ensure every effort is made to fight the unacceptable incidence of crime rightly referred to by the Deputy.

**Acting Chairman (Deputy Eugene Murphy):** I do not want to inhibit debate on such an important issue, but I remind the Deputy that he has one minute and one minute only.

**Deputy Danny Healy-Rae:** All right. The Minister is saying communities should connect with the Garda, but that is impossible because of the closure of Garda stations in rural areas. There is no Garda station in Sneem and it is 35 minutes before a garda lands from Kenmare and almost an hour before a garda lands from Killarney when gardaí based in Kenmare are out. Communities do not have the same level of interaction with the local garda as they had previously. There were four gardaí in Kilgarvan, but there is none now. It is now served from Kenmare.

The Minister talked about burglary, including the theft of farm machinery. I am talking about elderly people whose lives are changed forever. I travel around the county a lot and have found that anyone who is a licensed gun owner does not seem to be targeted. How do these fellows find out who has a gun licence and who does not? I appeal to the Minister to deal with the crimes perpetrated against vulnerable elderly people in rural areas and villages. I have received many requests for lighting to be improved because people are so afraid. They have a little comfort when they can see up and down the street and there is no one around.

**Acting Chairman (Deputy Eugene Murphy):** Please, Deputy. I need to call the Minister.

**Deputy Danny Healy-Rae:** The Minister needs to deal with this issue differently in rural areas because these fellows are at it continually and do it while out on bail, which should not happen. I am asking for mandatory sentences. We should lock them up and throw away the keys because elderly people are never the same once they have been hit once.

**Acting Chairman (Deputy Eugene Murphy):** I am sorry to say the Deputy breaks his promises.

**Deputy Charles Flanagan:** As Minister for Justice and Equality, I am committed to ensuring a strong and visible police presence throughout the country, including County Kerry, to provide reassurance for the Deputy's constituents in the many cases he raises in the House on a regular basis. I am informed by the Garda Commissioner that on 31 May, the latest date for which figures are readily available, the strength of the Kerry Garda division was 325. There are also 20 Garda reserves and 36 civilians attached to the division. When appropriate, the work of local gardaí is supported by a number of Garda national units. I acknowledge the importance of the National Bureau of Criminal Investigation, the armed support units, the Garda National Economic Crime Bureau and the Garda National Drugs and Organised Crime Bureau. Every effort will be made to ensure the ongoing protection of the Deputy's constituents in County Kerry and beyond.

### **Proposed Legislation**

5. **Deputy Róisín Shortall** asked the Minister for Justice and Equality if hate crime legislation will be introduced; the steps he is taking to improve the recording of such crimes; and if he will make a statement on the matter. [29838/18]

**Deputy Róisín Shortall:** A report by the Irish Council for Civil Liberties published yesterday has found that the lack of specific hate crime legislation has given rise to what is termed a policy vacuum. The hate aspect of crimes is gradually filtered out as complaints make their way through the criminal justice system. How does the Minister intend to respond to the report and address the issues raised therein?

**Deputy Charles Flanagan:** Equality and the protection of minorities form important components of the work of my Department. The Minister of State, Deputy David Stanton, and I are very committed to ensuring Ireland is a safe and secure country for everybody. I acknowledge and welcome the research launched yesterday by the Irish Human Rights and Equality Commission. A wide body of criminal law is used to combat racism and xenophobia. Criminal offences such as assault, criminal damage and public order offences that are committed with a racist motive are prosecuted as generic offences through the wider criminal law. The trial judge can take account of aggravating factors, including racist motivation, during sentencing. It is clear that hate crimes could be considered in the context of the Judicial Council Bill 2017, which includes provisions relating to sentencing guidelines.

Under the provisions of the Prohibition of Incitement to Racial Religious or National Hatred Act 1989, which sets out offences of incitement to hatred on account of race, religion, nationality, ethnic or sexual orientation, it is an offence to use words, behave, publish or distribute written material, or broadcast visual images or sounds which are threatening, abusive or insulting and are intended or are likely to stir up hatred. The provisions of the 1989 Act, which defines "hatred" as "hatred against a group of persons in the State or elsewhere on account of their race, colour, nationality, religion, ethnic or national origins, membership of the travelling community or sexual orientation", are under review in the Department of Justice and Equality. I would welcome the views of the Deputy and other Members of the House in the context of this review. The work of the Irish Human Rights and Equality Commission and the Irish Council for Civil Liberties is particularly useful in this regard. My officials will engage with all interested parties with the aim of addressing the findings in the context of the review that is under way.

**Deputy Róisín Shortall:** That is not a very satisfactory response. As the Minister knows,

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the Prohibition of Incitement to Hatred Act 1989 applies only to what is regarded as hate speech and is completely unsuited to addressing crimes motivated by hate such as horrific acts of violence, criminal damage and petty vandalism. The Minister must accept that the impact of such crimes, even at the lower end of the spectrum, can be devastating for victims. Just this week, reports emerged of a young man posting on an online forum in real time as he prepared to throw a rock with a homophobic message attached to it through the window of a gay bar in a petty and cowardly act of violence. The chief commissioner of the Irish Human Rights and Equality Commission, Emily Logan, has explained that such an act serves as a “message crime” by sending reverberations through minority communities. Hate crimes make people think twice about their place in Irish society and embolden those who harbour views which most of us find abhorrent. What is the Minister’s response to the increasing level of hate crime we are seeing in this country?

**Deputy Charles Flanagan:** I assure the Deputy that I regard the research in the report that was published yesterday as hugely important. It will contribute greatly to the understanding of how hate crimes are dealt with across the State. I recognise that the report identifies a number of issues that need to be addressed if we are to ensure hate crimes are dealt with in an effective, rigorous and robust way. The Minister of State, Deputy Stanton, and I are committed to this. The Department of Justice and Equality is examining the recommendations and will make proposals in response to them in due course. I will be happy to keep the House informed of developments in that regard.

**Deputy Róisín Shortall:** The Minister has said that he and the Minister of State, Deputy Stanton, are committed to this. What actions do they intend to take? There is no evidence that the Minister is taking this issue seriously. It is as if this problem was brought to his attention yesterday in the Irish Council for Civil Liberties report. The migrant integration strategy, which was published over a year and a half ago, commits the Government to a review of the current legislation. Equally, the recent LGBT youth strategy talks about the need to review the legislation in this area to identify if any gaps exist. Will the Minister give a commitment to do anything other than review the situation? This is a pressing issue and a growing issue. Rather than talking vaguely about being committed and looking at the report, the Minister needs to come up with a practical and urgent response. The least the Minister should do is require the courts to take account of bigoted motivation when sentences are being considered. At the moment, it is completely discretionary. The European Commission against Racism and Intolerance has observed that its application is inconsistent in sentencing. Will the Minister give a commitment to introduce legislation to tackle this most pressing issue?

**Deputy Charles Flanagan:** I reject the Deputy’s hollow criticism. She knows, having served in government as a Minister of State, that any legislation must be informed legislation. If we are to ensure this is the case, the starting point must be a review. I assure her that a review is under way in this instance. I expect that the review will result in legislation. I accept that this is an important and urgent matter.

The House will be aware of the existence of the Garda racial, intercultural and diversity office, which is responsible for co-ordinating, monitoring and advising on all aspects of policing Ireland’s diverse communities. The office monitors the reporting and recording of hate and racist crime on a continual basis. The ethnic liaison officers who have been appointed by An Garda Síochána, which is currently receiving unprecedented resources from the Government, work with their counterparts in the racial, intercultural and diversity office to play a fundamental role in liaising with minority groups. The ethnic liaison officers around the State and the staff of

the racial, intercultural and diversity office work in partnership to encourage tolerance, respect and understanding within communities, to help to prevent hate and racist crime and to provide advice and assistance to victims of hate or racist crime, as required.

**Deputy Róisín Shortall:** With respect, that is complete waffle.

## Other Questions

### Asylum Seeker Employment

6. **Deputy Fiona O'Loughlin** asked the Minister for Justice and Equality the rationale for refusing asylum seekers access to jobs in the public service; and if he will make a statement on the matter. [29607/18]

**Deputy Fiona O'Loughlin:** I ask the Minister to outline the rationale for refusing to allow asylum seekers who want to get jobs in the public service to access such employment.

**Deputy Charles Flanagan:** The 2013 EU reception conditions directive, which I signed into effect from 30 June last, enhances access to the labour market for asylum seekers. It means that eligible applicants will have access to all sectors of employment, other than appointments to the public service, the Civil Service, An Garda Síochána and the Defence Forces. I am happy to outline the rationale for this approach. It is a standard requirement of the Public Appointments Service when advertising a position in the Irish public service that eligibility to compete is open to citizens of the European Economic Area. Similar provisions apply to recruitment to the Garda and the Defence Forces. An individual who applies for international protection in Ireland is given temporary permission to remain in the State to allow his or her application to be processed. This permission is temporary, pending the processing of the person's application. During this time, the applicant has not established a right to remain in the State on a permanent basis.

The processing of an application for international protection may result in a person being declared a refugee, in which case he or she will be fully entitled to compete for positions in the public service. Ireland's system for Civil Service recruitment through objective competitive examinations provides equal access to all of those who are eligible regardless of their origins. Equally, the examination of an application for international protection may conclude that the applicant is not entitled to international protection and therefore is not entitled to remain in the State. The Deputy will appreciate that the temporary status of international protection applicants is not consistent with being appointed to positions in the Defence Forces, An Garda Síochána, the Civil Service, the public service or an embassy or consulate representing the State. As I have outlined, the long-standing practice is for competitions for such appointments to include a requirement for candidates to be citizens of the European Economic Area.

**Deputy Fiona O'Loughlin:** While it is possibly understandable that there are restrictions on accessing jobs in the Defence Forces and An Garda Síochána, it is unfortunate that the Government has chosen to exclude asylum seekers from the public service. Many asylum seekers in this country are very skilled. Those skills could possibly be lost to the State with a restriction of this nature. For example, emerging and accelerating global and regional shortages of health

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care professionals present a significant strategic risk to the effective functioning of the health system. This is a lost opportunity to help to address those shortages. It could have helped to provide a mechanism to achieve better value for money compared with the use of agency workers.

The decision made in May 2017 to strike down the absolute ban on asylum seekers working as unconstitutional has forced the Government to finally address the need for reform of the direct provision system. The Minister mentioned the waiting time for a decision on an application for asylum, but it is still too long. It also takes too long to hear an appeal. Does the Minister have any comment to make on it?

**Deputy Charles Flanagan:** I agree with the Deputy that there are people going through the various stages of the process who have skills that could be put to good use in their occupation while awaiting a final decision. It is not open to them to apply for public service jobs, but there are many similar arrangements in the private sector and I am sure they would be welcomed in that sphere.

I am committed to reducing the waiting time and ensuring the time it takes to process applications for international protection is the minimum. I want to ensure persons, who it is determined are in need of our protection, can have certainty of status at a much earlier stage. We want to facilitate their early integration into our society and communities. Persons with international protection status or permission to remain have full access to the labour market and State support on the same basis as Irish nationals.

**Deputy Fiona O'Loughlin:** My party and I welcome the announcement of a more open process to allow asylum seekers to access work. It is important to say that, but it is three years after the McMahon report that included those recommendations. On the waiting time for the granting of asylum, I am glad that the Minister acknowledges that the period is too long and that he is working on it. Asylum seekers spend too long in a system that in 2000 was designed to be a very short interim provision. Some 36% of residents spend two years or more in the system, which has been described as a form of internment. The delays in assessing applications are unacceptable and the long periods spent in the direct provision system have a negative impact on the mental health and well-being of residents. It impedes integration and creates a legacy of dependency. Is any other reform of the direct provision system being considered beyond the right to work?

**Deputy Charles Flanagan:** I am very pleased to note the success of the initiative undertaken by Judge McMahon whom I thank for his engagement and ongoing interest in the area, in which he plays a very important role. My Government colleagues, including the Minister of State, Deputy David Stanton, and I are very appreciative of the role he plays.

I am keen to ensure a first instance decision at an early date. If it can be earlier than nine months, all the better. The Deputy has referred to persons who have been in the direct provision system for a number of years. The vast majority are persons who continue to appeal decisions already made. I acknowledge the importance under our law of people, as is their entitlement, engaging in the process of appeal and judicial review. My determination is to ensure a first instance decision is made within a reasonable period. Any lengthy period beyond nine months is unreasonable. I will continue to ensure we can have an early decision in the form of a determination, with a person either being given leave to remain in the State or, if it is in the negative, arrangements being made for the return of the person to his or her country of origin as circum-

stances may ordain.

**Acting Chairman (Deputy Eugene Murphy):** I remind Deputies and the Ministers that we must keep to the timelines set down by the Business Committee as not doing so is unfair on others. Deputy Ruth Coppinger has apologised for not being here.

*Question No. 7 replied to with Written Answers.*

### **Garda Resources**

8. **Deputy Jim O’Callaghan** asked the Minister for Justice and Equality the engagement he has had with the Garda Commissioner on the funding and provision of additional resources for An Garda Síochána to prepare for a hard Brexit; and if he will make a statement on the matter. [29637/18]

**Deputy Jim O’Callaghan:** There are less than nine months to the date when the United Kingdom is to depart from the European Union on 29 March next year. The June summit has been held. We were told that the deadline was that summit and that a deal would be organised at that time, but it did not happen. As there is, unfortunately, the prospect of a hard border and the United Kingdom simply falling out of the European Union without a deal, what measures have been put in place to ensure additional resources will be provided for An Garda Síochána should there be a hard border?

**Deputy Charles Flanagan:** As the House is aware, the Tánaiste and Minister for Foreign Affairs and Trade is co-ordinating the whole-of-government response to the withdrawal of the United Kingdom from the European Union. In this capacity, he is working closely with all Ministers, including me, to address the many challenges Brexit will present in a joined-up manner. However, I emphasise that it is the Government’s firm intention that the same Border arrangements as currently apply on the island of Ireland will continue into the future. In its approach to the negotiations the Government has ensured protecting the gains of the peace process and the avoidance of a hard border are high priorities for Ireland, our partner member states and the European Commission.

As the House is aware, the Garda Commissioner is responsible for the distribution of resources, including personnel. Garda management keeps the distribution of resources under active review in line with operational and security demands, including possible policing requirements post-Brexit. In that respect, I recently met the Garda Commissioner and his team to discuss contingency planning for Brexit and I am assured An Garda Síochána is preparing for it with a wide-ranging focus to determine operational requirements, including personnel and technology. I am also assured An Garda Síochána will continue to progress its contingency preparations and is committed to ensuring the organisation will be prepared for the associated policing implications and challenges arising therefrom.

My Department is engaged on an ongoing basis with An Garda Síochána as part of the deep and detailed work being undertaken across government and the public sector in response to the United Kingdom’s decision to leave the European Union. In June departmental officials and a member of An Garda Síochána met representatives of the European Commission in Brussels to discuss North-South co-operation in the areas of law enforcement and police and judicial co-operation. Furthermore, An Garda Síochána is represented at a senior level in the ongoing

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discussions between my Department and the Home Office in the United Kingdom on the operation of the common travel area.

**Deputy Jim O’Callaghan:** Fianna Fáil also wishes for the same Border arrangements to apply after Brexit, but there is unquestionably a risk that that may not be the case. If there is no deal between the European Union and the United Kingdom, the island of Ireland could become the meat in that dangerous sandwich. It would not be the first time the interests of this island had been subordinated by the interests of our larger neighbour and other global affairs. We must be prepared for the potential for a hard border on the island after 29 March.

The Chief Constable of the Police Service of Northern Ireland, PSNI, Mr. George Hamilton, has indicated that the service may need approximately 400 extra PSNI officers to police the Border if a hard border is imposed. We know that there are nearly 250 Border crossings between the two jurisdictions on the island. We need to be prepared for a hard border. No matter the fact that the agreement within this House is that we do not want a hard border, it could be imposed upon us. It should not be forgotten that the Border was put in place without most of the people on this island having any say in respect of it

**Deputy Charles Flanagan:** I reiterate that it is the firm commitment and determination of the Government to ensure that the current border arrangements continue. In this regard, I acknowledge the repeated statements of the British Prime Minister, Theresa May, in regard to the current border arrangements, a seamless border, maintaining the freedom of movement of goods and people between North and South on the island of Ireland and maintenance of that relationship as it stands.

On An Garda Síochána, it works closely with the Police Service of Northern Ireland in combating cross-Border crime, including in the pursuit of individual criminal investigations. This ongoing close co-operation across a full range of policing responsibilities of both services is in place and will continue regardless of the final shape of Brexit. Joint working is central to the shared objectives of An Garda Síochána and the PSNI in combating crime of all sorts and promoting community safety on the island of Ireland. There are many collaborative policing initiatives in place, including the cross-Border policing strategy, updated and published by both police services in 2016. There is annual official engagement and informal engagement on a daily basis, where required.

**Deputy Jim O’Callaghan:** The British Prime Minister has made many positive statements about keeping the Irish Border fully open. However, her statements cannot be relied upon for the purpose of us believing there will be no hard border. The situation within the British Government at the moment is such that it does not know what its own negotiating policy will be with the European Union and we are less nine months away from the Brexit date. We need to be better prepared. We need to take on board, for instance, what the Garda Representative Association stated in respect of the increased demand on An Garda Síochána should there be a hard border. It has indicated that approximately 100 additional gardaí would be required to police the Border, if it is the case that a hard border is imposed upon us.

The new Garda Commissioner has significant knowledge of the two jurisdictions and the Border but the Minister needs to meet him and plan for what we hope will not happen. Unless we are prepared for it, we will fail in respect of it.

**Deputy Charles Flanagan:** I can confirm that I have already met the Garda Commissioner

designate and I look forward to working closely with him. I understand that he will take up his position in early September. I agree with Deputy O'Callaghan that he brings a unique perspective on the matter of policing across the island of Ireland. I look forward to working closely with him in this regard.

There is contingency planning in the Department of Justice and Equality. A working group of senior officials was established to manage the Department's response to Brexit and to carry out a risk analysis of the UK's departure, taking into account the views of the relevant justice sector agencies and other stakeholders. Planning to date in the Department has focused on how the withdrawal agreement would work in practice and our future relationship with the UK.

Deputy O'Callaghan mentioned the Garda Síochána. I assure the Deputy that An Garda Síochána is fully aware of the ongoing complex negotiations regarding Brexit and it is committed to ensuring that the organisation is fully prepared for any possible policing implications and challenges arising therefrom. A high level team composed of managers from across the Garda Síochána has been established and scoping exercises in anticipation of Brexit have been conducted. I again welcome the appointment of Mr. Drew Harris, who has the necessary experience and expertise in terms of ensuring top level North-South co-operation in addressing the challenges that lie ahead in policing matters.

*Question No. 9 replied to with written answers.*

### **Commission on the Future of Policing Reports**

11. **Deputy Mick Wallace** asked the Minister for Justice and Equality when he expects the Commission on the Future of Policing to finalise its final report; if he has received an interim report to date; the costs associated with the running of the commission, including salaries and so on, since its inception; if the new Garda Commissioner will be bound by the expected recommendations of the Commission on the Future of Policing; if the Minister has discussed the commission and its work with the new Garda Commissioner; if his attention has been drawn to whether the work of the commission was raised during the interview process; and if he will make a statement on the matter. [29597/18]

**Deputy Mick Wallace:** We sought an outsider for the role of Garda Commissioner and we got one. I welcome him and wish him the best. We will judge him on his performance in An Garda Síochána. When does the Minister expect the Commission on the Future of Policing to finalise its report? Has he received any interim reports to date and, if so, what is the cost associated with same? Will the new Garda Commissioner be bound by the recommendations of the commission? Has the Minister discussed the Commission on the Future of policing with the new Garda Commissioner and was the work of the commission raised during the interview process?

**Deputy Charles Flanagan:** I fundamentally disagree with Deputy Wallace's description of Mr. Drew Harris as an outsider. He is not an outsider. He is a policeman, an Ulster man and an Irishman and I very much welcome his appointment.

**Deputy Mick Wallace:** So do I.

**Deputy Charles Flanagan:** I am sure he will lead An Garda Síochána in terms of its mod-

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ernisation and reform programme. Mr. Harris is far from an outsider. He comes to the role with a wealth of experience and knowledge, not only in terms of policing in Northern Ireland, but in international policing. His relationship with An Garda Síochána down through the years will stand him in very good stead.

The Commission on the Future of Policing in Ireland, which began its work in May 2017, is undertaking a comprehensive examination of all aspects of policing, including all functions currently carried out by An Garda Síochána. It is also examining the full range of bodies that have a role in providing oversight and accountability for their activities.

The commission is due to report in September. I have discussed the issue with the chairperson of the commission, Kathleen O'Toole. The commission expects to publish its report in accordance with that timeline. The members of the commission come from diverse backgrounds and have impressive track records in their respective fields. The chairperson was a member of the Patten commission which developed the blueprint for the successful transformation of the PSNI following the Good Friday Agreement. I am confident that the commission's report will similarly chart a new course for policing in Ireland in the decades ahead and I look forward to receiving it.

Deputy Wallace will appreciate that the commission is an independent body and it is important that it is free to carry out its work in whatever manner it sees fit. It has not submitted an interim report but it has published two updates on its activities which may be of interest to the Deputy. These are available on the commission's website at [www.policereform.ie](http://www.policereform.ie).

**Deputy Mick Wallace:** Mr. Harris is an outsider in that he was not previously a member of An Garda Síochána. The Minister mentioned that the commission is an independent body, which is all the more reason there is no excuse for it not producing an interim report.

Will the commission cease to exist on publication of its report and, if so, who will have oversight of the implementation of its recommendations? In terms of holding the Garda Síochána to account, the Garda Inspectorate's recommendations are often ignored. The reason for this is weak legislation, for which the Government is responsible. The Garda Inspectorate has no statutory responsibility for the monitoring of the implementation of recommendations made in its reports. A process to enable it to do so was established with An Garda Síochána in 2008, which resulted in the publication of status implementation update reports twice a year on the Garda Inspectorate's website. While former Garda Commissioner, Mr. Callinan, complied with this process the last update was in November 2013 because former Garda Commissioner, Nóirín O'Sullivan, did away with it. She was not interested in that sort of nonsense. When we asked the Minister's predecessor why this process ceased the response was pressure of work.

Does the Minister believe the Garda Inspectorate should oversee implementation of the recommendations of the Commission on the Future of Policing, which will probably comprise most of the recommendations made by the Garda Inspectorate? Will the Garda Inspectorate have a role in this regard and will the Minister consider giving it statutory powers to monitor implementation of the commission's recommendations?

**Deputy Charles Flanagan:** Following the establishment of the commission my Department engaged with the chairperson and secretariat on its budgetary needs, as mentioned by the Deputy. Sanction was obtained from the Department of Public Expenditure and Reform for €1.5 million. This budget includes the expected cost for the commission, including remunera-

tion of the members and secretariat research in the conduct of an extensive public consultation process. To date, the cost associated with the running of the commission has been just in excess of €1 million. It is expected that the total cost will be in line with the €1.5 million budget that was allocated. I am very much looking forward to the report, which I expect to be delivered on time. I also expect it to be sufficiently comprehensive to record the work done by the commission over the period of a year. It is important that there is an element of oversight of the recommendations. I have not decided what course of action might be taken in that regard but I agree with the Deputy that a form of oversight is advisable. I would be happy to take on board suggestions as to the manner in which that might be done. I agree there needs to be a firm form of oversight.

**Deputy Mick Wallace:** If the Minister is looking for suggestions, given that the Garda Inspectorate is probably the most impressive body to have come before the committee in the past two years, I suggest he give it the authority to oversee the recommendations. The new Garda Commissioner should provide an update on the website on how he is progressing with implementing the recommendations that have been put forward. This would make a lot of sense. I should add that it has been good to hear that the new Commissioner is not a spin merchant and is not obsessed with public relations. God knows we see a great deal of that, not only in State bodies but also in this place. It is to be welcomed that we are not getting a spin merchant this time around. We had enough of that the last time. I strongly encourage the Minister to give the Garda Inspectorate the statutory powers to monitor the implementation of the commission's recommendations.

**Deputy Charles Flanagan:** I very much reject the Deputy's suggestion that nothing has been done with the Garda Inspectorate's report. I cite, for example, the welcome visibility of reforms that are under way on issues such as human resources and ICT. Another example is the conduct of an independent cultural audit of An Garda Síochána, which was published in May. This was the first such audit of the organisation. I assure the Deputy that once I receive the report of the commission, I will act on it. I look forward to its receipt and approval by Government. I assure the Deputy that neither I nor the Government have any intention of leaving it on a shelf to gather dust.

**Acting Chairman (Deputy Eugene Murphy):** Deputy Thomas Byrne's question was No. 10 but he was held up in a committee meeting.

**Deputy Thomas Byrne:** I took the chair from Deputy Fiona O'Loughlin.

**Acting Chairman (Deputy Eugene Murphy):** That is fine. I will explain the position to the House. Deputy Byrne had to do some work chairing a committee. Deputy Gino Kenny, who tabled Question No. 12, has kindly offered to allow the Deputy to ask his question first. Does the House agree? Agreed. I ask both sides to stick rigidly to the time constraints in order that we can accommodate Deputy Kenny's question afterwards.

**Deputy Thomas Byrne:** I was expecting to ask my question after Deputy Gino Kenny's question. I am very grateful to the Deputy and apologise for my late arrival. I took the chair of the committee to allow Deputy O'Loughlin to go to the Chamber. I did not expect that other Deputies would not be in the Chamber to ask questions. Gabhaim buíochas. I am grateful to the House.

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## Garda Deployment

10. **Deputy Thomas Byrne** asked the Minister for Justice and Equality if he is satisfied with Garda resources in County Meath. [28904/18]

**Deputy Thomas Byrne:** In light of recent figures which show that burglaries in Meath increased significantly in 2017 compared with 2016, is the Minister satisfied with Garda resources in the county? The Garda district of Ashbourne has the same population as County Westmeath but has less than half - the figure is closer to one third in fact - the number of gardaí County Westmeath has.

**Deputy Charles Flanagan:** As the Deputy will be well aware, the distribution of Garda personnel is exclusively the statutory responsibility of the Garda Commissioner. In this regard, Garda management keeps the distribution of resources under continual review in the context of crime trends and policing priorities so as to ensure that the optimum use is made of these resources. By way of assistance to Deputy Byrne, I am informed by the Commissioner that the strength of the Meath division is 310. There are also 16 Garda reservists and 30 Garda civilian staff attached to the division. When appropriate, the work of local gardaí is supported by a number of Garda national units such as the National Bureau of Criminal Investigation, the armed support units, the Garda National Economic Crime Bureau and the Garda National Drugs and Organised Crime Bureau.

As I have told Deputy Byrne on other occasions, the Government is committed to ensuring a strong and visible police presence throughout the country to maintain and strengthen community engagement, to provide reassurance to citizens and to deter crime in County Meath and throughout the country. To make this a reality, the Government has in place a plan for an overall Garda workforce of 21,000 personnel by 2021. This will include 15,000 Garda members. I am informed by the Commissioner that since the reopening of the Garda training college in September 2014, almost 2,000 recruits have attested as members of An Garda Síochána and have been assigned to mainstream duties nationwide. Of this number, 64 members have been assigned to the Meath division. Garda numbers, taking account of retirements, increased to 13,551 at the end of 2017, a net increase of more than 600 since the end of 2016. As Deputy Byrne will be aware, the increase in Garda numbers last year represented the first significant increase since numbers started falling in 2009. This has driven the level of recruitment that has seen the number of gardaí assigned to the Meath division increase from 281 to 310, an increase of 29 or 10% as of 31 May as compared to the end of 2014.

### *Additional information not given on the floor of the House*

Funding is in place to ensure that the 2021 vision of an overall workforce of 21,000 remains on track. This year a further 800 new Garda recruits will enter the Garda training college, some 400 of whom have already done so. In total, 800 Garda trainees are scheduled to attest during 2018, 400 of whom have attested to date. Furthermore, Garda numbers, taking account of projected retirements, are on track to reach 14,000 by the end of 2018. Undoubtedly, the investment in resources and the ongoing recruitment process will support all Garda activities and enable the Commissioner to provide additional resources to all Garda divisions, including the Meath division, in the coming years.

**Deputy Thomas Byrne:** County Meath needs significantly more resources because we are vastly under-resourced in terms of Garda man and woman power when compared with other

areas that are very close to us. In particular, I refer to County Westmeath which has a similar profile to Meath. It has a much lower population and a similar number of gardaí, which is not fair. There are also other issues with Garda resources. For example, I have heard that the Garda van in the Laytown sub-district, which includes Stamullen, was moved to Tullamore. There are very difficult procedures for gardaí in the district if they want to make arrests in certain cases. That is proving very difficult for them. The lack of a sufficiently suitable Garda headquarters in Meath is also making crime detection more difficult. People on the ground notice the lack of gardaí and resources, the increase in crime and the general absence of a feeling of safety. Another issue arises, which I will raise in my supplementary question.

**Deputy Charles Flanagan:** Deputy Byrne will be aware that it was the Fianna Fáil-led Government that closed the Garda training college in Templemore in its entirety in 2010.

**Deputy Jack Chambers:** The Minister's Government kept it closed.

**Deputy Charles Flanagan:** Regrettably, despite considerable progress, it will take some time to recover from the legacy of the decision to close the college in 2010. I am pleased to inform the House that funding is in place to ensure the 2021 vision of an overall workforce of 21,000 remains firmly on track. This year, a further 800 new Garda recruits will enter the Garda training college, some 400 of whom have already done so. In total, 800 Garda trainees are scheduled to attest during this year, 400 of whom have already attested. Taking account of projected retirements, Garda numbers are on track to reach 14,000 by the end of 2018. I assure Deputy Byrne that many of these gardaí will be posted to stations in County Meath.

**Deputy Thomas Byrne:** I did not ask this question as an opportunity to take a political potshot at the Government. I asked it as an advocate for, and representative of, my constituency. It does not serve the case well for the Minister to respond by taking a potshot at me. What I will say is that the confidence and supply agreement ensures that this Government, which has been in power since 2011, will increase Garda numbers. That is a key point in the agreement. This is not simply about increasing Garda numbers but about making a decision in Garda headquarters, influenced by the Minister for Justice and Equality although I know he has no direct role in the matter, to ensure gardaí are allocated on a proportionate basis to the places they are needed around the country.

An issue particular to County Meath is the significant number of large towns on our doorstep which have Garda stations that do not have any jurisdiction in our county. I refer specifically to Drogheda, Balbriggan, Maynooth, Kilcock and Kingscourt. Some of these are smaller stations and some are larger, but none has jurisdiction within County Meath. That issue will have to be addressed because the county boundary solution was not always available for Garda services and policing. It is causing a problem, particularly in my county.

**Deputy Charles Flanagan:** As I said earlier, it is a matter for the Garda Commissioner to distribute the resources available to him, both in terms of personnel and equipment. I am pleased, however, to record unprecedented funding for An Garda Síochána, in excess of €1.6 billion. I am also pleased the recruitment programme is firmly on track. I recently had the privilege of attending Templemore Garda Training College to see almost 200 new, ambitious, energetic, well-trained and well educated gardaí attest and graduate. All of them were posted to their stations, some to County Meath, within two weeks following their attestation from Templemore.

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It is my intention to ensure we will proceed with another recruitment programme to ensure that by the end of 2021 my target and the Government's ambition of having an overall Garda workforce of 15,000 sworn gardaí, who will be ably assisted and backed up by 4,000 civilian members and 2,000 members of the Garda Reserve, a total of 21,000 personnel, will be achieved.

### **Stardust Fire**

12. **Deputy Gino Kenny** asked the Minister for Justice and Equality his views on the call for a new inquest into the deaths of 48 persons in the Stardust fire on 14 February 1981; his further views on the victims' families' long campaign for justice for their loved ones; and if he will make a statement on the matter. [29596/18]

**Deputy Gino Kenny:** Will the Minister support the call for a new inquest into the deaths of 48 persons in the Stardust fire on 14 February 1981?

**(Deputy Charles Flanagan):** My office was recently informed by legal representatives acting on behalf of the families that the Stardust campaign has formally petitioned the Attorney General to order a second inquest under the provisions of section 24 of the Coroners Act 1962.

I have no role in the ordering of a second inquest under this provision and it would not be appropriate for me to make any comment in regard to the application to the Attorney General.

The Stardust fire was undoubtedly one of the greatest tragedies in the country's history. I sympathise greatly with the families of the people tragically killed 37 years ago, for the terrible loss they suffered and for their ongoing search for answers.

A motion was passed by the House on 26 January 2017 which called on the Government:

...to meet with the Stardust Relatives and Victims Committee regarding the new and updated evidence they have uncovered since reviewing Judge Keane's report of the tribunal of inquiry on the fire at the Stardust, Artane, Dublin, in 2006, to have that new and updated evidence assessed urgently by an independent person who has the trust of the families.

The Stardust Victims Committee identified retired judge, Mr. Pat McCartan, to assess its evidence and furnished a formal written submission to Judge McCartan in that regard. The scope of the assessment process was set out in the Dáil motion. As such, it was conducted independently of the Government. It was not open to me as Minister nor my Department to influence, interfere or intervene unduly with that process.

Having carefully considered all material made available to him by the committee, in conjunction with the two previous independent reports on the Stardust tragedy, Judge McCartan concluded that no further new inquiry was warranted. However, I acknowledge the terrible pain and loss of the relatives of the victims and the fact that the report does not come to the conclusion for which they would have wished.

**Deputy Gino Kenny:** Every Member will acknowledge that after 37 years of pain, the relatives of those who died that night still have not had closure or justice. When one looks back to what happened in Hillsborough in 1989, nobody can run from justice. Only a few days ago, some of those policing the stadium that day had charges of manslaughter made against them.

The Stardust families are looking for a new inquest into the deaths of their relatives. Antoinette Keegan, who lost two sisters in the fire that night, put a freedom of information request in for documentation and submissions to the McCartan report in November 2017. Almost eight months after this request, she still has not received those papers which would be crucial to a new inquest. Can the Minister comment on that?

**Deputy Charles Flanagan:** I was pleased to have the opportunity to meet with the Stardust Victims Committee and Ms Keegan on several occasions. However, I wish to stress again the independence of the role and function of Judge McCartan. The former judge was the choice of the committee which had been consulted in order to ensure its assistance, advice and guidance was taken on board.

Judge McCartan's report of the assessment process was accepted by the Government and furnished to the committee immediately afterwards, prior to its publication on 7 November 2017.

I assure Deputy Gino Kenny of my interest in this matter. I met with the committee and had an open discussion on historical outstanding matters. In parallel with last year's independent assessment process, my Department met with the committee and its legal advisers on several occasions. My Department remains committed to engaging constructively with a view towards achieving a positive resolution of the process regarding historical outstanding costs.

**Deputy Gino Kenny:** There is enormous public support for a new inquest and to get to the truth of this matter. That manifested itself at the recent Leinster football final between Laois and Dublin when, on the 48th minute for the 48 victims, there was a round of applause in support for a new inquest.

The relatives will say that the McCartan report was narrow in its remit. They have further information and submissions to another inquest. The families at least deserve a new inquest into the deaths of their brothers, sisters and loved ones on that night. After all, no justice was done to those who managed that facility in any way. The families are calling for a new inquest. That is what they deserve after 37 years of terrible pain.

**Deputy Donnchadh Ó Laoghaire:** There are a number of elements which were not properly pursued. I want to put on record my and my party's support for a second inquest.

**Deputy Charles Flanagan:** I do not have any role in the ordering, or otherwise, of a second inquest under the provisions of section 24 of the Coroners Act. This is exclusively and solely a matter for the Attorney General. My expectation would be that the Attorney General will be in contact with the lawyers acting on behalf of the families.

As regards the independent report, the Government was pleased with the nomination of retired Judge McCartan, which had the support of the Stardust Victims Committee. It was an independent process of the Government and produced findings. I accepted those findings on behalf of the Government, as did my Government colleagues.

*Question No. 13 replied to with Written Answers.*

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## Garda Deployment

14. **Deputy Jack Chambers** asked the Minister for Justice and Equality the number of community gardaí in the Dublin metropolitan region, DMR, west division in each of the past ten years; and if he will make a statement on the matter. [28900/18]

**Deputy Jack Chambers:** The number of community gardaí has been drastically reduced in the Dublin west division over the past several years. It has led to significant public safety concerns due to a massive increase in crime and anti-social behaviour with people feeling unsafe to go outside their homes. I hosted a public meeting on Tuesday this week which was attended by a large number of people. There is a Garda visibility crisis and a law and order issue which the Government is not addressing, despite its rhetoric around recruitment. Gardaí in Blanchardstown have said they do not have enough manpower to answer the phones at particular times of the day. How is the Minister going to address this problem?

**(Deputy Charles Flanagan):** The distribution of Garda personnel is exclusively the statutory responsibility of the Garda Commissioner. Garda management keeps this distribution of resources under continual review in the context of crime trends and policing priorities to ensure the optimum use is made of these resources.

As I have stated at committee and in the House, community policing is at the heart of An Garda Síochána. It provides a means of recognising that every community, urban and rural, has its own concerns and expectations. That is why it is important to recognise that community garda is not a specialist role in An Garda Síochána but, rather, that all gardaí *12 o'clock* have a role to play in community policing in carrying out their duties. The official categorisation as a community garda simply refers to gardaí exclusively assigned to building relationships with local communities and civil society, including giving talks to schools and engaging with community groups, residents associations and others across communities. It is a matter for the divisional chief superintendent to determine the optimum distribution of duties among the personnel available to him or her, having regard to the profile of the area and its specific needs.

I am informed by the Commissioner that the strength of Dublin metropolitan region west division on 31 May 2018, the latest date for which information is readily available, was 671, of whom 68 are designated as community gardaí.

*Written Answers are published on the Oireachtas website.*

## Visit of French Delegation

**An Ceann Comhairle:** Before proceeding with the business of the House, I wish to note a large group viewing proceedings from the Public Gallery. On my own behalf and on behalf of the Members of Dáil Éireann I offer a céad míle fáilte, bienvenue and a most sincere welcome to a distinguished delegation of mayors from the département de Seine-et-Marne, in the greater Paris area, led by Monsieur Guy Geoffroy, Mayor of Combs-la-Ville, and Monsieur Didier Maus, Mayor of Samois-sur-Seine. The group are on a short fact-finding visit to Ireland. I thank Senator Neale Richmond for assisting with the arrangements as convenor of the Oireachtas Ireland-France Friendship Group.

*Dáil Éireann*  
**Leaders' Questions**

**Deputy Dara Calleary:** Bienvenue to our visitors. I wish them a pleasant stay.

It is now ten weeks since the lid was lifted on the appalling collapse in standards at Cervical-Check and the failure to communicate that collapse. It is ten weeks since the courage of Vicky Phelan in fighting her case and resisting enormous legal pressure to sign a gagging order came into the public domain. Let us never forget that if Vicky Phelan had signed that gagging order, the public may never have heard of what is facing hundreds of women across the country. It is nine weeks since Emma Mhic Mhathúna stopped the country in its tracks when she spoke on "Morning Ireland". Her interview shook the country to its core. If the Tánaiste needs to hear of the impact that this failure of the State has had on people's lives, he should listen to Emma's interview with Miriam O'Callaghan a few minutes ago on "Today with Sean O'Rourke" wherein she described how her condition has deteriorated because of that failure. It is nine weeks since there was an emergency Cabinet meeting on the issue, the resignation of the director general of the HSE and promises from the Taoiseach and the Minister for Health, Deputy Harris, that they were going to do everything to resolve this matter, use every possible resource to so do and that there would be no delays.

However, we now see the falsity of those promises. RTÉ News, an organisation which has a special place in the Taoiseach's heart, today reported that the independent review of 3,000 smear tests has yet to begin. That news is not new. Justine McCarthy, in an article in *The Sunday Times* on 17 June, reported that the delay was likely. When the review was announced by the Taoiseach in the House on 2 May, he committed to it being completed by the end of May. Today is 5 July but the review has yet to commence.

Why did the Taoiseach come to the House and make a promise he knew he could not keep to a group of women who had already been let down by the State? When he made that announcement on 2 May, he stated that he wished to restore confidence in our cancer screening programmes. All Members wish for him and the Government to so do. However, all we got on 2 May were words to get him through Leaders' Questions but on which there has been no follow through. The failure to follow through on those commitments has further undermined the confidence which all Members wish to be restored.

I do not ask the Tánaiste for answers or sympathy but, rather, a plan. Does he understand the distress, pain and worry through which those women and their families are going? The Tánaiste should not try to get out of the Chamber and hope we do not ask more questions on this issue because we will keep asking questions. I ask him for an exact timeline for the commencement and conclusion of the review. Will the scope of the Scally inquiry be adjusted as the review is important to its findings? I ask the Tánaiste to confirm the accuracy of the figures presented to the Committee of Public Accounts this morning which indicate that 221 women have been affected. Can he confirm that all of those women have received medical cards and financial support as promised by the Taoiseach on 2 May?

**The Tánaiste:** The Government encourages questions on this issue. That is why the discussion and questioning at the Committee of Public Accounts this morning are, and will continue to be, appropriate. The Government is an open book on the issue.

The Minister for Health, Deputy Harris, the Taoiseach and many others have prioritised the support of the women and families involved in the scandal since it broke. Many Members of

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the House have worked with individuals linked to the scandal and will continue to do so. An hour ago, the Minister introduced the heads of new disclosure legislation, following through on the commitments he made in that regard. It is wrong to suggest that the Government has not been active on the issue, prioritised the support of women and families caught up in this tragedy or is not moving ahead with the commitments it made.

It is important to state that the Government has agreed to move ahead with the report of the Royal College of Obstetricians and Gynaecologists, which is an organisation of international standing independent of the Government and has its own procedures that it needs to put in place. We have asked it to undertake a complex review which involves much accurate assessment and that is about to take place but the Government cannot impose the timetable for it. We must ensure the review is fully accurate and has the confidence of everyone caught up in the CervicalCheck scandal and, more important, the women of Ireland, who need to know that we have learned lessons and fully understand why mistakes were made. Of course, we will encourage a speedy review to ensure the information gathered by that independent body is accurate and allows us to learn lessons. In the meantime, we will continue to work with individuals who have been hugely courageous in exposing this scandal and continue to put support packages in place for them and their families.

**Deputy Dara Calleary:** The Tánaiste stated that he encourages questions but he has just shown that he is not very good at giving answers. The Taoiseach, while in the seat in which the Tánaiste is now sitting, promised that the review would be completed by the end of May. Nobody else in the House made that commitment. The review is complex and there is science involved and we want it to be done properly but the Taoiseach set out the timetable for it and the Government has failed to deliver on that. The Government was alerted to a problem in that regard on 17 June but Fergal Bowers of RTÉ today revealed that the Government has done nothing to address it.

The Tánaiste stated that lessons have been learned. What lessons does he think are learned by further undermining confidence? I asked him to confirm the number of women affected which was presented to the Committee of Public Accounts today by the HSE. Have all of those women received medical cards and the financial supports guaranteed to them or will they be dragged through the courts as was Vicky Phelan?

**The Tánaiste:** I respectfully ask Deputy Calleary to be responsible in terms of how this issue is discussed and covered. The figure of 221 is correct but that is not new information. The Committee of Public Accounts was informed at its meeting on 14 June that the audits of a further 12 women were close to completion. That is the additional 12. The Minister is also ensuring these women are receiving the supports available.

In terms of trying to ensure that court cases and an adversarial environment are not part of the legal actions women and families are choosing to take, the State has been active on that. I was very pleased to see that Emma Mhic Mhathúna's case was settled without any further court hearings or court action. We will endeavour to ensure that is the case for other women and families involved as well.

**Deputy Caoimhghín Ó Caoláin:** I raise with the Tánaiste the future care of 12 older people with dementia living in the Rosalie home in Castlerea, County Roscommon. The Rosalie home is a continuing care facility for the psychiatry of later life patients. While the Health Service Executive, HSE, was still in denial last Friday, the families involved had to hear about the defi-

nite decision to close the home on local radio on Monday morning of this week when the HSE's chief officer for the west, Tony Canavan, made clear in no uncertain terms that the home will be closed. That is despite commitments made by the HSE to be open and to communicate fully with families, something it has consistently failed to do.

This upheaval is not new for the residents of the Rosalie home and their loved ones. In 2015, the future of the home was also uncertain. That was until the Minister of State with responsibility at the time, the former Minister of State, Kathleen Lynch, made three commitments to the families, namely, that those in the home could see out the rest of their days in the home, that the home would form part of the HSE plans for dementia care in the region, and that the families would be kept informed at all times. It now appears those commitments either mean nothing or that the Minister of State and the HSE have shredded them. The HSE and the Tánaiste's Government have made the decision to close the home. That was announced without any consultation or clarity for families as to the future care needs of their loved ones.

We all know that this is their home. It is where they are happy and content. It is where they are cared for and looked after and it is where they are comfortable and familiar with their surroundings and with the staff who care for them, yet none of this appears to matter to the HSE and, with respect, to the Tánaiste's Government. The families, once again, are being left waiting.

Will the Tánaiste give clarity to the families as to what will happen to their loved ones? Will he explain the reason the Rosalie home is being closed and the reason this decision has been made before the external review of the clinical assessment is complete?

**The Tánaiste:** The Deputy might appreciate that I may not be able to give him full information on the particular case he raises. I recall, however, that on the Order of Business on Tuesday, the Minister of State at the Department of Health, Deputy Jim Daly, responded to similar concerns expressed by some Fianna Fáil colleagues.

My understanding of this case is that it is a decision to be made by the HSE but that the audits that have taken place in advance of decisions being made had to focus on patient safety, patient care and ensuring the HSE can stand over that for the individuals and the families concerned. However, there should be consultation with families. If the conditions under which elderly people are being cared for is to change dramatically in terms of location, the consultation on a decision like that should require detailed consultation with families and reassurance for families that decisions are being made for their loved ones for the right reasons. I will speak to the Minister of State concerned and try to get him to come back to the Deputy with a more detailed assessment from the HSE in terms of what has happened to date.

**Deputy Caoimhghín Ó Caoláin:** Dementia supports across Ireland remain totally inadequate. The position in Roscommon is an example of that, but one that requires urgent address. We are looking at a difficulty that is acknowledged by the national dementia strategy's mid-term review, which states that additional funding is required. Currently, access to community dementia-specific services across Ireland is not equal. The level of service varies depending on where one lives but I stress that currently no county in Ireland has an acceptable level of dementia support.

Budget 2019 must deliver increased supports across Ireland for persons suffering with dementia. The Alzheimer Society of Ireland is calling for investment in budget 2019 to deliver in-

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creased numbers of dementia advisers, key workers and community co-ordinators. We in Sinn Féin support that call and ask the Government to step up to the mark and deliver for dementia sufferers and their families who have been waiting far too long. Crisis in elder care settings of the nature I have outlined to the Tánaiste will continue unless we invest in supportive services. In urging the Tánaiste to address these matters in budget 2019, I ask him to remake and stand over the Kathleen Lynch commitments of three years ago to the residents of Rosalie home.

**The Tánaiste:** My understanding is that the HSE did meet the families concerned but I will need to speak to the Minister of State about whether that consultation was extensive enough.

**Deputy Caoimhghín Ó Caoláin:** They met them last Friday but did not tell them it would be announced as a closure on Monday.

**The Tánaiste:** No. My understanding is that there was a meeting about it many months ago, but I will come back to the Deputy with the dates and the detail of those meetings.

Regarding dementia care more generally, the national dementia strategy implementation programme agreed by the Department of Health, the HSE and Atlantic Philanthropies committed €27.5 million for a number of specific actions. The majority of that funding was for the roll-out of dementia-specific intensive home care packages. A total of 316 people have benefited from the dementia-specific intensive home care packages to allow them continue living in their homes.

On the Deputy's questions about the upcoming budget and the prioritisation of this sector, that is an issue he will have an opportunity to contribute to in the wider budget debate. I acknowledge there are gaps in dementia supports in different parts of the country, but when the HSE makes decisions on individual care homes, it is doing so in the interests of the patients and their care. That should be the only consideration when moving people from one facility to another.

**Deputy Mattie McGrath:** As the Tánaiste is well aware, we are in the grip of the worst housing crisis in the history of the State. Despite report after report, promise after promise, and Minister after Minister with responsibility for housing, the emergency remains and families throughout the country continue to suffer in an awful way.

Yesterday, the Taoiseach referred to the problem of supply and the importance of addressing that element of the problem. The specific issue I want to raise with the Tánaiste is the apparent paralysis that exists when it comes to addressing an existing supply, namely, vacant dwellings, which all of us here know are located throughout the country.

In my county of Tipperary, the total number of vacant dwellings in 2011 was 4,817 out of a total housing stock of 38,390. That was 12.5% of the total stock, a figure which must be alarming. The latest indicators from the Central Statistics Office, CSO, reveal that out of a total housing stock of 38,937, the vacancy rate has only gone down to 11.9%, which is minuscule. It is less than a 1% drop in more than five years which, as the Tánaiste is aware, have seen the crisis reach epidemic proportions. If we continue at that rate it will be 2073 before the vacancy rate in Tipperary drops to less than 1%.

That demonstrates that no Government policy has worked to any effective degree in terms of putting vacant dwellings back into the housing market. The working group chaired by the Housing Agency has undertaken preparatory work on the vacant homes strategy. The output of

the working group was presented to the Department in June 2017 and is being further developed with a view to publishing a report in the near future. Yet another report, yet another delay.

Two weeks ago, the Minister for Housing, Planning and Local Government, Deputy Eoghan Murphy, acknowledged that the repair and leasing scheme and the buy and renew scheme developed to assist local authorities or approved housing bodies to address the problem of vacant dwellings was an absolute failure. He informed us that at the end of 2017, a total of 820 applications had been received under the scheme but only nine homes had been delivered and tenanted. The Tánaiste was also the Minister with responsibility for housing. If we cannot even manage to get vacant and habitable dwellings up to scratch and back into the market, what real hope do we have of addressing the massive supply deficit of new builds? In my own county of Tipperary only 11 houses were built between 2011 and 2016, despite the fact that we had over 3,000 approved applicants and 10,000 on waiting lists. Why on earth should anyone have any faith in the Government's pledges and promises to tackle the crisis? Is it not time to accept that on this issue the Government is ideologically blind and simply unwilling to take the kind of action required?

**The Tánaiste:** I am glad to update the House on the encouraging trends in the increased supply of houses. This is a market that has been under pressure for a number of years. It is one we are going to fix, but it will take some time. New CSO figures for new dwelling completions will clearly show the general upward trend across all housing construction activity. Essentially, more than 18,000 new homes were made available for use last year. Just over 2,500 were vacant homes brought back into use. Roughly 1,000 were unfinished homes from the era of Fianna Fáil housing policy.

**Deputy Dara Calleary:** Seven years in government.

**Deputy Kevin O'Keeffe:** There were very few homeless.

**The Tánaiste:** Some 14,500 were new build homes occupied for the first time. These figures do not include over 2,000 new student bed spaces also completed last year. Permission to build 24,531 new homes was granted in the 12 months up to March 2018, up almost 40% on the figure for the previous 12 months. In the first quarter of 2018 alone planning permission was granted for 8,500 new homes, an increase of more than 81% overall. There was an increase of 178% in the number of planning permissions for high density apartments, which is exactly what we need in cities to deal with housing demand and respond to the affordability challenge many first-time buyers, in particular, face. It is due substantially to the new fast-track planning process which the Government introduced to make sure we could make the right planning decisions in a shorter timeframe to get the market moving.

The CSO's report shows that in the first quarter of 2018 there were 3,562 new dwellings built, an increase of 27% compared to the same period last year. The number of commencement notices is up by 23%, with notices for 18,500 new homes nationwide in the 12 months to April 2018. As an indicator of multi-unit developments, there were 9,355 housing guarantee registrations recorded nationally in the 12 months to April 2018, up 35% on the figure for last year. On linked construction which is also an indicator, 83,000 people were employed in the construction industry in the first quarter of 2017, up 14% on the figure two years earlier. We are seeing more people becoming involved in building, the granting of planning permission for more homes and more high-density complexes and more social housing being delivered. Yes, it is not fast enough for many people who want to buy homes or are on housing lists, but it is

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accelerating all the time and the plan is working. It will take time to take full effect.

**Deputy John Curran:** It is not working.

**Deputy Mattie McGrath:** On what planet is the Tánaiste living? I know that he wears spectacles, as do I. His must be much better than mine because I cannot see the houses. Certainly, I can see the homeless.

**The Tánaiste:** The Deputy does not want to recognise the facts.

**Deputy Mattie McGrath:** As usual, the Government is full of bluster on this issue, but the time for excuses is over. The blame lies squarely on the Government's shoulders, without going back to Fianna Fáil. We could go back to the last century if we wanted to do so. As Joyce Fegan and Elaine Loughlin have reported in the *Irish Examiner*, while the Government has promised to deliver 3,800 new social houses in 2018, local authorities are set to miss that target by almost 620. It is happening all the time. I attended a meeting of the housing committee yesterday and we had all of the CEOs in. We could talk forever. If talk could build houses, the Government would be great, but it is not building houses. Historically, Fine Gael never built them either. It is not interested in ordinary people. It is only interested in the people who have a line of daffodils up the lane, big houses and mansions, not ordinary people.

**Deputy Seán Kyne:** That is rubbish.

**Deputy Mattie McGrath:** The Government's record is a disgrace. Perhaps that is why the Taoiseach gets a little irritated with the media when journalists like Elaine Loughlin and others expose the Government. They should expose it more because we have had plans and figures to beat the band but no houses. The Government does not seem to care or empathise or else there is another greater reason it does not want to build houses. I do not know from where the Tánaiste is getting the figures he is quoting, but I have them from journalists and the CSO.

**The Tánaiste:** The Deputy can quote whatever figures he wants, but I am quoting the CSO's.

**Deputy Mattie McGrath:** As am I. Obviously, the Tánaiste's glasses are better than mine.

**The Tánaiste:** There is only one person rambling on this issue. I am giving the facts.

**Deputy Mattie McGrath:** I am not rambling at all; I am just telling the truth.

**The Tánaiste:** The Deputy might not like the facts. Looking at the social housing challenge, the truth is we need to look back to see where we were in 2011 when the previous Government had to fix multiple problems.

**Deputy Mattie McGrath:** I am talking about what is happening now.

**The Tánaiste:** There were 3,000 ghost estates, as well as a decrease of 90% in the level of construction activity. Almost two thirds of jobs in the construction sector were lost. House prices had fallen by 50% in most of the country. That is the legacy of others in the House.

**Deputy Brendan Howlin:** Yes.

**Deputy Mattie McGrath:** Blame someone else.

**Deputy Fiona O'Loughlin:** It is seven years later.

**Deputy John Curran:** How many social houses did the Tánaiste's party build?

**Deputy Danny Healy-Rae:** Fine Gael is now in government for seven years. If it is in office for seven more, it will still be at it.

**Deputy Fiona O'Loughlin:** There are 4,500 every year.

**The Tánaiste:** The record of my party in government, in working with the Labour Party, is very different. We have created a partnership Government which has a dedicated Minister with responsibility for housing.

**Deputy John Curran:** Fine Gael missed its own targets by a mile. The Tánaiste should not blame anyone else.

**Deputy Dara Calleary:** The Tánaiste ran out of the then Department of Housing, Planning, Community and Local Government.

**The Tánaiste:** For the first time we have established a multi-annual budget - €6 billion - which will deliver an extra 50,000 social housing units by the end of 2021 and a lot more after that.

**Deputy Mattie McGrath:** Failure.

**The Tánaiste:** The Deputy should look at the facts rather than the political narrative he is trying to sell.

**Deputy John Curran:** The Government should look at the facts.

*(Interruptions).*

**Deputy Eamon Ryan:** There is unfinished business following the recent referendum to repeal the eighth amendment. Obviously, we have all of the legislation required, but there is one other aspect about which I want to ask. We are still in the middle of a real crisis in terms of the effect of online advertising in elections and referendum campaigns across the world. Only yesterday we saw controversy in the United Kingdom where the Leave campaign may have exceeded the spending limits, mainly for online advertising. In America the Cambridge Analytica findings are still washing out in terms of what happened during the presidential election. In our own country during the referendum campaign we were very lucky to have the Transparent Referendum Initiative which was able to show what adverts were being posted, but it was impossible to know what the actual volume was or the amount of money behind them. Facebook and then Google, with only a few weeks to go to polling day, stopped all advertising.

**Deputy Kevin O'Keeffe:** They were biased.

**Deputy Eamon Ryan:** At a committee hearing last week Google seemed to intimate that it had been concerned about a wave of finance to affect the result of the referendum. That may be why it made its call. I do not think the referendum was decided by online advertising but mainly in houses, on the streets and at doors and through the mainstream media. However, there is a real issue with transparency in referendum and election advertising. We have an opportunity to set a precedent and set the record straight on what exactly happened in the referendum. When its representatives came to the Oireachtas committee, we asked Facebook to provide detailed

data for the value of advertising and how much money had been spent. My colleagues in the European Parliament asked the same questions when Mark Zuckerberg went to Brussels to answer questions. Facebook replied that it could not do so, that technically it would be difficult, although it was working on its tools to provide for such transparency. However, I believe it is possible for it to do so. It should sit down with the Transparent Referendum Initiative and the UCD Dynamics lab to work on the issue of how to manage the data. With proper safeguards in GDPR rules, Facebook should provide information for the public on the volume of advertising during the recent referendum campaign. This would allow us to close the book on the referendum, but it would also set a precedent. Yesterday we placed a motion on the Order Paper setting out those circumstances and asking Facebook and Google to sit down with UCD and the Transparent Referendum Initiative and provide the data sought. Will the Tánaiste support such a call? Does he think it presents an opportunity? This is not controversial. Our referendum result was not a close call. It was a clear win, so it is an opportunity for the company and for us as a country to start setting some precedents and some basic ground rules around transparency in election advertising. Will the Tánaiste support such a call to Facebook and Google and does he think it will be of benefit? He is a foreign Minister. He sees lots going on around the world. Does he think such transparency in the democratic process will be useful?

**The Tánaiste:** I agree with a lot of what the Deputy said. There has been quite a bit of discussion in government on this issue. How do we ensure future elections in Ireland are not being influenced inappropriately, as has clearly been the case in other countries? We certainly cannot rely on the voluntary decisions of large multimedia companies to protect the democracies we have an obligation to protect. The question is what actions Government can take supported by other parties in this House to ensure that elections, be they referenda or other forms of election such as presidential, local, European or general, are not influenced inappropriately by the use of social media with sponsors coming from outside the State. At the same time, how we do allow the use of modern media platforms to allow people to sell a message legitimately and undertake the usual political debate that happens at election time because so many people now get their information from those platforms. That is a difficult balancing act for this House to get right but we all have a vested interest in working on that.

I certainly hope and expect that companies like Facebook and Google will co-operate in the context of transparency, understanding the volumes of advertising funding coming from outside the State and the point of that. That would be helpful in terms of understanding the challenges we need to take on as a legislative body to look at whether we need to introduce new legislation or new policy in this regard. Having spoken to many other foreign Ministers about this issue, I can say that it is an issue that virtually every country in the western world is grappling with to try to protect its electoral system from a rapidly changing media platform that, if not managed, can skew results in a way that is very inappropriate.

**Deputy Eamon Ryan:** I agree with the Tánaiste that much of the advertising could be beneficial. I would not look for a ban on political advertising. The work carried out by the Transparent Referendum Initiative showed that roughly half the adverts were about getting people involved, encouraging people to do fundraisers or come along canvassing. Whichever side one is on, that is a good thing. This is why I think this referendum campaign could set a standard or lessons can be learned that would be applicable not just here but across the world. As a country with a very large digital industry and a real interest in getting the standards and proper organisation right, we need to work as a common voice to say to the companies that they should use this an example of good practice and learn the lessons that could be applied elsewhere.

We have Deputy Lawless's legislation, which we must put through in the meantime. To be honest, the companies were in a difficult situation because they made calls in the absence of any real rules. We must put the rules in place fairly quickly. It is one of the jobs this House must do, but I take it from the Tánaiste's response that he is supportive of the broad call, that it is not a contentious or divisive issue and that it is not even a divisive issue between the political system and the companies because it is an opportunity to set standards and to show as a country how this might be done. This would be a useful signal for the rest of the world as well as to the rest of us at home. Can I get the Tánaiste's support for that motion on the Order Paper? He can read it if he wants to come back to me. Will he give such support to that call?

**The Tánaiste:** I would like to take a look at the detail of what the Deputy is asking for. This is primarily a matter for the companies involved. We cannot force them or we are certainly not proposing to do that in this call but I will take a look at it. The substantive point made by the Deputy is a very relevant one. As a Government, we have asked a number of people to look at this and come back with recommendations to Government in terms of how we can protect the electoral system in the future and not undermine the positive capacity that is there on social media platforms.

Anyone who has been involved in the past two referendum campaigns in Ireland will know that much of that conversation took place on new media and engaged a much younger population than is often engaged in referendum campaigns. That was a really positive and good thing. We need to make sure we try to protect media freedom and freedom of speech and ensure that all views have an opportunity to be put across on all media platforms, but at the same time we need to make sure the more sinister elements that have certainly been involved in trying to skew election results internationally do not impact on Ireland in a negative way. Trying to get that balance right is not easy. Virtually every country in the western world, many of them with far more resources than we have, is struggling to deal with this issue.

### **Questions on Promised Legislation**

**An Ceann Comhairle:** A total of 25 Deputies are offering. We have 15 minutes. These are supposed to be questions on promised legislation, not discussions or debates.

**Deputy Dara Calleary:** Amidst the fantastic celebrations of Pride last week, two events involving very aggravated assaults in Port Laoise and a brick being thrown through the window of Pantibar showed the daily challenge members of our LGBT community face in terms of hatred legislation. Deputy O'Loughlin's Criminal Justice (Aggravation by Prejudice) Bill 2016 has gone through various committees and pre-legislative scrutiny. Yesterday, the Irish Council for Civil Liberties published its report calling for hate crime legislation to be introduced. Will this Bill be allowed to proceed in the Dáil to deal with and provide for the kind of situations that are happening daily?

**The Tánaiste:** I am not aware that the Government has any intention of trying to slow down this Bill. It is a Private Members' Bill so it needs to go through the processes.

**Deputy Dara Calleary:** It has.

**The Tánaiste:** I am not aware of any intention on the part of the Government to slow that down. We agree with the sentiments the Deputy has just outlined. There is no place in society

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and there should not have been in the past for the kind of violent discrimination on the basis of identity or sexuality. I am glad to say that we are a changed country in that regard so we need to make sure legislation is both appropriate and firm and the Garda has the resources it needs to stamp it out.

**Deputy Caoimhghín Ó Caoláin:** An ESRI report that will be published later today has found that changes made by the Government to the one parent family payment have led to a reduction in income for lone parents at work. The changes in 2015 meant that lone parents could only receive the one parent family payment until their child reached the age of seven. This was to encourage lone parents to take up work. Given that a significant number of lone parents who took up work saw a reduction in their income, will the Government now look to review the age limit of the one parent family payment and look at more specific measures to assist lone parents into education and work to reflect the fact that the cost of rearing children is significant and that they continue to need that help?

**The Tánaiste:** The Government needs to read and study that report before making decisions on it, but I think I can safely say that the Government wants to continue to support lone parents in an appropriate way. They do face challenges that other families do not face and they do need to get additional supports, as they currently do. If there are unintended anomalies because of policy, the Government will have to reflect on that.

**Deputy Brendan Howlin:** As we speak, the British Prime Minister is flying to Berlin to persuade Angela Merkel not to dismiss out of hand what we expect to emerge from the discussion of the British Cabinet tomorrow, which is a hybrid of the two previous ideas - an emphasis on non-existent new technology and some aspects of a customs partnership. Let us be clear. The bulletproof arrangement that we understood to be in place since last December is not there. The Austrian Prime Minister has announced a pre-October summit to be held in September on the issue of migration because that is the theme of his Presidency. Will the Tánaiste use his good offices to ensure the issue of the Irish Border is included in the September special Council so we do not face into October in a perilous situation?

**The Tánaiste:** I spent the day in London yesterday and met five British Ministers who will all be involved in what I understand will be quite an intensive debate tomorrow on trying to stabilise and firm up a British approach towards these negotiations, which we have been awaiting for quite a long time. The issues the Deputy has raised will be part of that discussion but there will also be other elements to the discussion. I think and hope we will have a much clearer picture early next week of the British Government's approach to these negotiations because many of the red lines that have been outlined to date are somewhat contradictory in terms of the solutions we need to find.

**Deputy Brendan Howlin:** Is the Tánaiste telling us he is optimistic?

**The Tánaiste:** We can only judge when we see the outcome of the meeting and we should not take anything for granted. There is clearly a divided Cabinet. I believe the meeting of the British Cabinet that takes place tomorrow, which is a day-long meeting on Brexit only, will be a significant discussion. We will have to judge the outcomes when we see what they are.

**Deputy Ruth Coppinger:** Tomorrow, workers in Dublin and in many other places will have to take to the picket lines again at Lloyds pharmacies. They are mainly women and they are low paid. They are striking for better pay, for a sick pay scheme that does not exist - imag-

ine that, in a pharmacy - for better work conditions and against zero-hour contracts. They are striking for union recognition, something the Dáil has refused steadfastly to legislate for to support workers because the Government does not want to alienate multinationals from coming to this country. Will the Tánaiste join me in appealing to all workers and all other people to support the strike tomorrow, particularly people who came out and voted for women's rights in the repeal movement-----

**An Ceann Comhairle:** This is questions on promised legislation.

**Deputy Ruth Coppinger:** -----and ask them to boycott Lloyds tomorrow in a one-day show of support for these women workers?

**An Ceann Comhairle:** It is not a relevant issue for promised legislation.

**Deputy Ruth Coppinger:** It is to do with union recognition and zero-hour contracts legislation. You let every Tom, Dick and Harry talk about other types of things.

**An Ceann Comhairle:** That is not correct, Deputy.

**Deputy Danny Healy-Rae:** And I am not Dick or Harry.

**Deputy Ruth Coppinger:** It is about laws to help workers.

**The Tánaiste:** What I can certainly respond on is the Employment (Miscellaneous Provisions) Bill, which was published by the Minister, Deputy Regina Doherty, before Christmas and is expected to be on Committee Stage in the coming weeks. The Minister certainly responded on this issue on Tuesday and stated she is very anxious to try to progress this legislation before the end of the term.

**Deputy Ruth Coppinger:** It does not deal with union recognition.

**Deputy Michael Harty:** The unwinding of the financial emergency measures in the public interest, FEMPI, legislation has been initiated for all public servants. They are due two pay increases this year and two next year. FEMPI has not been unwound for contract holders, however, including general practitioners. When FEMPI was applied to general practice, it was disproportionately applied because it was applied to the gross fee, which was reduced by 38%. Now, the financial model of general practice is broken and non-viable, and we have huge difficulties in recruiting general practitioners. When and how does the Government intend to unwind FEMPI for general practitioners to save general practice?

**The Tánaiste:** I will ask the Minister for Health to come back to the Deputy directly but my understanding is there is ongoing consultation with GPs in this regard.

**Deputy Róisín Shortall:** The Tánaiste spoke earlier about promised legislation in respect of open disclosure and the need to avoid an adversarial environment in regard to the Cervical-Check issue. We heard from the solicitor for Vicky Phelan this morning that there are delays in regard to the HSE agreeing a protocol to release slides for the women concerned. When the HSE is behaving like that, the women have no choice but to take legal action. Will the Tánaiste ask the Minister for Health to intervene to stop this foot-dragging by the HSE and to release the data that are required and requested by the women?

**The Tánaiste:** In some ways, there are two different issues here but they are both very fair

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questions. With regard to the releasing of slides, which essentially allow women to access their full medical records, including slides as part of that, there should be no delay in that.

**Deputy Róisín Shortall:** There is a delay in regard to the protocol.

**The Tánaiste:** I accept that. There should not be a delay in that and I will raise it directly with the Minister, Deputy Harris, and the HSE. On the protocol issue, my understanding, from speaking to the Department of Health before coming in this morning, is that the idea is to put a new protocol in place when we have the Scally report finalised so we have a fully informed process around putting new protocols in place rather than trying to put something temporary in place. That should not, however, prevent individual women and families from accessing their full medical records, including slides.

**Deputy Eamon Ryan:** I understand the Minister for Justice and Equality briefed parties last week on the proposed referendum on removing the article in the Constitution on supporting women in the home. Unfortunately, our party was not invited to that but I hear on the grapevine that the Government seems intent on moving towards simply deleting the existing provision rather than considering alternative wording. Our party has had a very consistent role in saying that caring work matters. We would like to consider, and would support, the option of an alternative wording so that we would maintain within the Constitution an aspiration and a direction towards supporting work that is outside the paid economy.

We have a very tight timeline in the context of an October referendum. Will the Government consider a proper consultation process rather than going straight ahead and making a decision, which may be being made as we speak, on having a referendum which will be a simple deletion, thereby ruling out the option of alternative wording which we would propose and support?

**The Tánaiste:** That is a discussion that has been taking place at Cabinet during this question time. My understanding is that the legal advice available to Government makes a clear and strong recommendation that the most appropriate way to deal with this is simply to delete the section from the Constitution. Of course, there is a recognition that the discussion and debate around the importance of caring, the role of the home in Irish society and the recognition of a modern family structure, and all the diversity that should be recognised in that context in today's Ireland, is something the Government is anxious to deal with. Whether we can deal with that with a new wording in the Constitution in time for a referendum in the autumn is very unlikely.

**Deputy Ruth Coppinger:** What is the rush? It has been there for 80 years.

**The Tánaiste:** I believe the appropriate course of action is a simple deletion but also to put a process in place to deal with the other issues that have been raised.

**Deputy Michael Fitzmaurice:** Under the Government and HSE strategy for mental health, why is A Vision for Change implemented in a different way in County Roscommon than in other counties? Athleague hostel is closed, St. Joseph's in Ballaghaderreen is closed and there is now the situation regarding the Rosalie unit, to which the Tánaiste referred. The families have not been consulted in a proper way and the clinical assessment has not been made. Will the Government intervene to ensure the future of this home for its many residents, bearing in mind the level of dementia per head of population in that county and also in County Leitrim? Will it show the HSE what needs to be done?

**The Tánaiste:** My understanding is that a Topical Issue matter on that will be dealt with later today so the Deputy will probably get a more detailed answer then. I would refer to what I said earlier on this issue.

**Deputy Peter Fitzpatrick:** As a former Minister for Housing, Planning and Local Government, the Tánaiste, more than most, will realise the Government has invested a lot of money in housing and homelessness. However, we have a number of serious problems. There are families who are struggling big time to pay their mortgages to the bank and to put food on the table and clothes on their children. In fairness to the Government, it has looked at mortgage interest relief and extended it until 2020. Husbands and wives have to work and pay for crèches. These families are struggling in a major way. If we do not look after them, they will end up homeless and on the social housing list. There are a lot of problems here. Can we get a commitment from the Government to look after the people who are out working? They are working-class people who need a bit of help. There is no point waiting for next year or the year after. It is now that these people need help.

**An Ceann Comhairle:** This seems more like a Topical Issue matter, Deputy, than a question on promised legislation. I call the Tánaiste.

**The Tánaiste:** It is a very relevant issue that the Deputy raises. We have repeatedly introduced new thinking and new policy to support people who are struggling to pay their mortgages. We have done so through the Abhaile system, which provides free legal support and financial advice to people, mortgage interest relief, which lightens the burden somewhat, and a range of other supports which allow people to restructure debt into affordable repayments.

**Deputy Jack Chambers:** A new section of the Tánaiste's Department has been established to implement the Global Ireland initiative and I welcome the Government's attempt to secure a seat on the UN Security Council. I refer to the recent advertising by the Government in this regard. It has had 200,000 views on Twitter, 30,000 on the Merrion Street YouTube channel and 60,000 on Facebook. This seems to be targeted at Irish citizens. How does targeting Irish citizens have anything to do with the voting intentions of member states voting on the seat on the UN Security Council?

**The Tánaiste:** There is a very easy answer to that one. Irish citizens want to know what is going on and they want to know what Global Ireland is all about. We are going to commit substantial public resources to expanding our diplomatic network of consulates and embassies. We will commit substantially more resources to our development aid programme in Africa and across the Middle East. The public has a right to know about foreign policy as well as domestic policy, but I am not sure it has received the coverage it should given the global nature of what it is to be Irish. Many Irish people see themselves as global citizens having spent a lot of their working lives abroad.

**An Ceann Comhairle:** That concludes Questions on Promised Legislation. I note that 14 Deputies were not reached.

**Deputy Declan Breathnach:** Can we extend the time for Questions on Promised Legislation?

**An Ceann Comhairle:** If the Deputy wishes to bring that to his Whip, I am sure the proposal will be brought to the Sub-committee on Dáil Reform.

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**Deputy Brendan Howlin:** It should be half an hour.

### **Special Committee on Climate Action: Appointment of Members**

**An Ceann Comhairle:** I propose for the information of the House to make an announcement on the appointment of members to the Special Committee on Climate Action. Accordingly, I announce the names of the Members appointed as follows: Deputies Hildegard Naughton, Martin Heydon, Pat Deering, Marcella Corcoran Kennedy and Tom Neville on behalf of the Government; Deputies Timmy Dooley, Mary Butler, Jack Chambers and John Lahart on behalf of Fianna Fáil; Deputies Brian Stanley and Imelda Munster on behalf of Sinn Féin; Deputy Sean Sherlock on behalf of the Labour Party; Deputy Paul Murphy on behalf of Solidarity-People Before Profit; Deputy Thomas Pringle, with Deputy Catherine Connolly as a substitute, on behalf of Independents 4 Change; Deputy Carol Nolan on behalf of the Rural Independents Group, and Deputy Eamon Ryan on behalf of the Social Democrats-Green Party Group.

### **Local Government (Restoration of Town Councils) Bill 2018: First Stage**

**Deputy Brendan Howlin:** I move:

That leave be granted to introduce a Bill entitled an Act to restore town councils for the purposes of local government, and to provide for related matters.

The town council tier of local government was abolished by the previous Administration, of which I was a member, and it was a mistake. I acknowledged that while we were in government and I made a speech to the Labour Party at conference to that effect. While there may have been compelling administrative reasons to consolidate local government at the time, the breaking of that tier focusing on urban centres was a mistake. I ask Deputies across the House, therefore, to support the proposal in the Bill to reintroduce town councils now.

I have travelled extensively throughout the country and I have seen the compelling arguments for the reintroduction of an urban focus in the traditional towns which had boroughs, like my own in Wexford or those Drogheda, Clonmel and Sligo. There is a disconnect between the larger areas which now constitute districts, sometimes known as municipal districts, and such towns. In my own area of Wexford, the district constitutes a quarter of the county. Citizens in towns no longer have the ready access to the same number of councillors or to what used to be the town hall, and we must restore that.

The Bill is straightforward. If enacted, it will authorise the Local Government Commission to review all towns with populations greater than 5,000 and designate them as towns with councils of nine members. For the larger towns with populations greater than 25,000, I suggest in the Bill that we establish councils of 15 members, but I am open to suggestions from other Members across the House in that regard. This will result in the restoration of an urban focus and the promotion of towns. When I was in Killarney, for example, I was spoken to passionately and asked to see if I could bring back the town's mayoralty to focus on the town. The same would be true of urban areas around the country. The proposed councils would have all the powers that previously resided with town councils. We had different types of councils in the past, including the urban district councils, boroughs and town commissions of old. Under

the proposals in the Bill, there would be one common type of town council with real powers, including powers as rating authorities in their own right.

This legislation would reconnect people with the lowest and often most immediate and important tier of democracy and the councillors elected on their behalf, and it could be enacted in time for the next local elections. Looking at the previous census figures, it would not be all that difficult to define each of the towns at issue. It would be an enduring enactment in that after every census, the Local Government Commission would have a legal responsibility to make a determination in relation to town councils. There is an enthusiasm and eagerness among people to restore this tier of local government. I hope we will have an opportunity to debate the Bill early in the new session and I hope there is cross-party support for it. I will write to every grouping and party in the House seeking that support. Of course, the details are not written in stone and if any Member has a suggestion to make by way of amendment, my party would be very happy to accept it readily. I hope all Members will give fair wind and speedy passage to the Bill.

**An Ceann Comhairle:** Is the Bill opposed?

**Tánaiste and Minister for Foreign Affairs and Trade (Deputy Simon Coveney):** No.

Question put and agreed to.

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

**Deputy Brendan Howlin:** I move: "That the Bill be taken in Private Members' time."

Question put and agreed to.

### **Pathway to Redress for Victims of Convicted Child Sexual Abusers: Motion (Resumed) [Private Members]**

The following motion was moved by Deputy Willie O'Dea on Wednesday, 4 July 2018:

That Dáil Éireann:

notes:

— the 2014 European Court of Human Rights' (ECHR) judgment on the Louise O'Keeffe case;

— that the interpretation and application of this judgment is omitting sex abuse victims even when their perpetrators have been convicted because they have not made a prior complaint;

— that this interpretation is failing abysmally to apply justice to sex abuse victims whose perpetrators have not only been identified but also been convicted;

— that the State Claims Agency manages litigation in cases of alleged child sexual abuse in schools taken against the State and it is authorised to offer out-of-court settlements to citizens that come within the terms of the ECHR judgment;

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— that only seven out-of-court settlements have been offered to date;

— that retired High Court judge, Mr. Justice Iarfhlaith O’Neill, was appointed in November 2017 to independently assess eligibility of sex abuse applications to an *ex gratia* scheme but only 21 applications have been received; and

— the pre-conditions are causing huge distress to the victims involved;

agrees that it is unjust that citizens, who have been sexually abused by people who were employed by the State in primary schools and whose perpetrators were subsequently convicted of sex abuse, are excluded from the State’s own redress scheme because they are unable to prove a prior complaint; and

calls for access to the State’s redress scheme for those citizens who were sexually abused in primary school, whose perpetrators have already been identified and convicted, on the same terms as has been afforded to those in residential institutions.

Debate resumed on amendment No. 1:

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

“notes that:

- sexual abuse, and child sexual abuse in particular, is a heinous crime wherever and however it occurs;

- everything that can be done should be done to bring the perpetrators of these crimes to justice and to ensure that those responsible for such crimes provide redress to the victims;

- in respect of residential institutions, the State accepted that it shared responsibility for abuse along with those who staffed and managed the institutions since, as set out in the Report of the Commission to Inquire into Child Abuse (Ryan Report), the State was responsible for committing children to the institutions, for licensing their operation and for directly inspecting the institutions with respect to the care and protection of children within them;

- under the now-closed Residential Institutions Redress Scheme, over €1.24 billion was paid to some 15,000 survivors of abuse, the bulk of this coming from taxpayers’ funds;

- in respect of day schools, the 2014 European Court of Human Rights’ (ECHR) judgment found that the State failed in its obligation, in specific circumstances, to protect Louise O’Keeffe from sexual abuse by a teacher; and

- the State in 2015, introduced an *ex gratia* scheme of payments for victims of abuse by teachers and other school employees;

recognises that the requirement for evidence of a prior complaint of abuse (arising from the ECtHR judgement) is needed to access the *ex gratia* scheme in those cases where the State should reasonably have known of the danger posed by the abuser and taken steps to address it;

further notes the appointment of an independent assessor to hear the appeals under this scheme and that he is reviewing the legal implications of the ECtHR judgment, and awaits the outcome of the independent assessor's considerations;

agrees that:

- the *ex gratia* scheme should be open to all those to whom the criteria apply, only some of whom may have been abused by the criminally convicted; and

- all the services of the State should be applied to support victims of crime; and

calls on all persons and institutions who have evidence of complaints in respect of sex abusers to freely provide that evidence so that the victims of abuse may secure redress, whether through the *ex gratia* scheme or through civil proceedings against those abusers and/or their employers, as relevant.

- (Minister for Education and Skills).

**An Ceann Comhairle:** I must deal with a postponed division on amendment No. 1 in the name of the Minister for Education and Skills to the motion re pathway to redress for victims of convicted child sexual abusers. Yesterday, on the question, "That the amendment be made," a division was claimed. In accordance with Standing Order 70(2), that division must be taken now.

Amendment put:

| <i>The Dáil divided: Tá, 44; Níl, 84; Staon, 0.</i> |                               |              |
|---|-------------------------------|--------------|
| <i>Tá</i>   | <i>Níl</i>                    | <i>Staon</i> |
| <i>Bailey, Maria.</i>                               | <i>Adams, Gerry.</i>          |              |
| <i>Breen, Pat.</i>                                  | <i>Aylward, Bobby.</i>        |              |
| <i>Brophy, Colm.</i>                                | <i>Barry, Mick.</i>           |              |
| <i>Bruton, Richard.</i>                             | <i>Boyd Barrett, Richard.</i> |              |
| <i>Burke, Peter.</i>                                | <i>Brady, John.</i>           |              |
| <i>Byrne, Catherine.</i>                            | <i>Breathnach, Declan.</i>    |              |
| <i>Canney, Seán.</i>                                | <i>Broughan, Thomas P.</i>    |              |
| <i>Cannon, Ciarán.</i>                              | <i>Browne, James.</i>         |              |
| <i>Carey, Joe.</i>                                  | <i>Buckley, Pat.</i>          |              |
| <i>Corcoran Kennedy, Marcella.</i>                  | <i>Burton, Joan.</i>          |              |
| <i>Coveney, Simon.</i>                              | <i>Butler, Mary.</i>          |              |
| <i>Creed, Michael.</i>                              | <i>Byrne, Thomas.</i>         |              |
| <i>D'Arcy, Michael.</i>                             | <i>Cahill, Jackie.</i>        |              |
| <i>Deasy, John.</i>                                 | <i>Calleary, Dara.</i>        |              |
| <i>Doherty, Regina.</i>                             | <i>Casey, Pat.</i>            |              |
| <i>Donohoe, Paschal.</i>                            | <i>Cassells, Shane.</i>       |              |
| <i>Doyle, Andrew.</i>                               | <i>Chambers, Jack.</i>        |              |
| <i>Durkan, Bernard J.</i>                           | <i>Chambers, Lisa.</i>        |              |
| <i>English, Damien.</i>                             | <i>Collins, Joan.</i>         |              |

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|                                 |                                   |  |
|---------------------------------|-----------------------------------|--|
| <i>Farrell, Alan.</i>           | <i>Collins, Michael.</i>          |  |
| <i>Fitzpatrick, Peter.</i>      | <i>Collins, Niall.</i>            |  |
| <i>Griffin, Brendan.</i>        | <i>Connolly, Catherine.</i>       |  |
| <i>Halligan, John.</i>          | <i>Coppinger, Ruth.</i>           |  |
| <i>Harris, Simon.</i>           | <i>Cowen, Barry.</i>              |  |
| <i>Humphreys, Heather.</i>      | <i>Cullinane, David.</i>          |  |
| <i>Kehoe, Paul.</i>             | <i>Curran, John.</i>              |  |
| <i>Kyne, Seán.</i>              | <i>Doherty, Pearse.</i>           |  |
| <i>Madigan, Josepha.</i>        | <i>Donnelly, Stephen S.</i>       |  |
| <i>McHugh, Joe.</i>             | <i>Ellis, Dessie.</i>             |  |
| <i>Mitchell O'Connor, Mary.</i> | <i>Ferris, Martin.</i>            |  |
| <i>Moran, Kevin Boxer.</i>      | <i>Fleming, Sean.</i>             |  |
| <i>Murphy, Eoghan.</i>          | <i>Funchion, Kathleen.</i>        |  |
| <i>Naughten, Denis.</i>         | <i>Grealish, Noel.</i>            |  |
| <i>Neville, Tom.</i>            | <i>Harty, Michael.</i>            |  |
| <i>Noonan, Michael.</i>         | <i>Haughey, Seán.</i>             |  |
| <i>O'Connell, Kate.</i>         | <i>Healy-Rae, Danny.</i>          |  |
| <i>O'Donovan, Patrick.</i>      | <i>Healy, Seamus.</i>             |  |
| <i>O'Dowd, Fergus.</i>          | <i>Howlin, Brendan.</i>           |  |
| <i>Phelan, John Paul.</i>       | <i>Kelleher, Billy.</i>           |  |
| <i>Ring, Michael.</i>           | <i>Kelly, Alan.</i>               |  |
| <i>Rock, Noel.</i>              | <i>Kenny, Gino.</i>               |  |
| <i>Ross, Shane.</i>             | <i>Kenny, Martin.</i>             |  |
| <i>Stanton, David.</i>          | <i>Lahart, John.</i>              |  |
| <i>Zappone, Katherine.</i>      | <i>Lawless, James.</i>            |  |
|                                 | <i>MacSharry, Marc.</i>           |  |
|                                 | <i>Martin, Catherine.</i>         |  |
|                                 | <i>McConalogue, Charlie.</i>      |  |
|                                 | <i>McDonald, Mary Lou.</i>        |  |
|                                 | <i>McGrath, Mattie.</i>           |  |
|                                 | <i>McGrath, Michael.</i>          |  |
|                                 | <i>McGuinness, John.</i>          |  |
|                                 | <i>Mitchell, Denise.</i>          |  |
|                                 | <i>Moynihan, Aindrias.</i>        |  |
|                                 | <i>Moynihan, Michael.</i>         |  |
|                                 | <i>Munster, Imelda.</i>           |  |
|                                 | <i>Murphy O'Mahony, Margaret.</i> |  |
|                                 | <i>Murphy, Catherine.</i>         |  |
|                                 | <i>Murphy, Eugene.</i>            |  |
|                                 | <i>Murphy, Paul.</i>              |  |
|                                 | <i>O'Brien, Jonathan.</i>         |  |
|                                 | <i>O'Callaghan, Jim.</i>          |  |

*Dáil Éireann*

|  |                                |  |
|--|--------------------------------|--|
|  | <i>O'Dea, Willie.</i>          |  |
|  | <i>O'Keeffe, Kevin.</i>        |  |
|  | <i>O'Loughlin, Fiona.</i>      |  |
|  | <i>O'Reilly, Louise.</i>       |  |
|  | <i>O'Rourke, Frank.</i>        |  |
|  | <i>O'Sullivan, Jan.</i>        |  |
|  | <i>O'Sullivan, Maureen.</i>    |  |
|  | <i>Ó Broin, Eoin.</i>          |  |
|  | <i>Ó Caoláin, Caoimhghín.</i>  |  |
|  | <i>Ó Cuív, Éamon.</i>          |  |
|  | <i>Ó Laoghaire, Donnchadh.</i> |  |
|  | <i>Ó Snodaigh, Aengus.</i>     |  |
|  | <i>Penrose, Willie.</i>        |  |
|  | <i>Quinlivan, Maurice.</i>     |  |
|  | <i>Ryan, Eamon.</i>            |  |
|  | <i>Scanlon, Eamon.</i>         |  |
|  | <i>Sherlock, Sean.</i>         |  |
|  | <i>Shortall, Róisín.</i>       |  |
|  | <i>Smith, Brendan.</i>         |  |
|  | <i>Smith, Bríd.</i>            |  |
|  | <i>Smyth, Niamh.</i>           |  |
|  | <i>Stanley, Brian.</i>         |  |
|  | <i>Troy, Robert.</i>           |  |

Tellers: Tá, Deputies Joe McHugh and Maria Bailey; Níl, Deputies Michael Moynihan and John Lahart.

Amendment declared lost.

Motion put and declared carried.

*Sitting suspended at 1.15 p.m. and resumed at 1.55 p.m.*

### **Topical Issue Matters**

**An Ceann Comhairle:** I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 29A and the name of the Member in each case: (1) Deputy Timmy Dooley - the need to develop bus services in rural parts of County Clare; (2) Deputy Thomas P. Broughan - to discuss safety concerns at Cromcastle Court apartments complex in Kilmore West, Dublin; (3) Deputy Seamus Healy - to discuss the differen-

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tial rent scheme as a reserved function of elected local authority members; (4) Deputy Niamh Smyth - the need to progress the Down's syndrome centre for the north east in Carrickmacross; (5) Deputy Gino Kenny - to discuss a proposal for a cannabis access programme; (6) Deputy Dara Calleary - to discuss the changes by the National Transport Authority, NTA, to Bus Éireann routes in County Mayo; (7) Deputies Martin Heydon and Fiona O'Loughlin - delays in delivery of home care packages in community healthcare organisation 7 Kildare-west Wicklow; (8) Deputy Carol Nolan - to discuss the implications of reducing the intake of preschool children from three times annually to once annually; (9) Deputy Martin Ferris - to discuss ongoing protests by nurses at University Hospital Kerry; (10) Deputy Willie Penrose - to discuss the recommendations of the public banking investigation report; (11) Deputy Frank O'Rourke - to discuss the advancement of housing development in Celbridge; (12) Deputies Joan Collins, Eoin Ó Broin, Clare Daly, John Brady and Bríd Smith - to discuss the Labour Court recommendation in the LloydsPharmacy dispute; (13) Deputy Mattie McGrath - the need to consider establishing a contemporary model of the Land Commission; (14) Deputy Eugene Murphy - to discuss the closure of the Rosalie unit in Castlerea and St. Joseph's mental health day centre in Ballaghadereen, County Roscommon; (15) Deputy Jackie Cahill - the need for the Minister for Health to address the lack of funding and lack of involvement by the HSE in the autism assistance dog programme; (16) Deputy Brian Stanley - to discuss with the Minister the plan for St. Francis school Portlaoise, which it is proposed to relocate to the site of the former St. Paul's primary school, Borris Road, Portlaoise; (17) Deputy Louise O'Reilly - to discuss the increasing waiting lists for initial assessments at child and adolescence mental health services, CAMHS, reported by Barnardos in its recent report; (18) Deputies John McGuinness, Marc MacSharry and Alan Kelly - the urgent need for the Department of Education and Skills and the Higher Education Authority, HEA, to expedite consideration of protected disclosures related to Cork Institute of Technology, CIT, and to correct the record of the Committee on Public Accounts, PAC, hearing of 24 May 2018; and (19) Deputy Mick Wallace - to discuss protection for subcontractors working on State contracts following the liquidation of the Sammon Group.

The matters raised by Deputies Timmy Dooley, Eugene Murphy, Martin Ferris and Willie Penrose have been selected for discussion.

### **Copyright and Other Intellectual Property Law Provisions Bill 2018: Order for Report Stage**

**Minister of State at the Department of Business, Enterprise and Innovation (Deputy John Halligan):** I move: "That Report Stage be taken now."

Question put and agreed to.

### **Copyright and Other Intellectual Property Law Provisions Bill 2018: Report and Final Stages**

**Deputy James Lawless:** I move amendment No. 1:

In page 41, after line 9, to insert the following:

"PART 5

DIGITAL LEGAL DEPOSIT SCHEME

**Digital legal deposit scheme**

**106.** Within twelve months of the enactment of this Bill the Government shall bring forward a report on the feasibility of establishing a digital legal deposit scheme to serve as a web archive for .ie domain contents and advise on steps taken towards that goal.”.

We welcome the Bill in the main and welcome its progress to Report Stage. The amendment seeks to provide for the establishment of a digital archive for Irish Internet content. We already have archives for print media, journals, newspapers and proceedings of this House and many other types of content in the National Library, National Archives and many universities. We do not, however, have a digital archive for Internet content. This content is an important part of our collective memory and culture and a reflection of society at a point in time. It is also an important historical artefact and would normally form a part of copyright libraries, like the printed word, but we have not yet made provisions to move to the Internet world. There have been some moves by the private sector to address this, for example, Twitter has collaborated with the United States Congress to create a library of all tweets ever sent. Google has an archive of many books and pages and used to maintain a web cache although that is no longer available.

As a sovereign State we should take responsibility for our own Internet content and safeguard it for future generations, archivists and historians to study. Eminent people in the area such as Dr. Eoin O’Dell in Trinity College Dublin and his team have the wherewithal and know-how to do this and are happy to begin cataloguing such an archive. However, they need to be permitted by law to do so. They need the digital sphere to be included in the copyright domain in the way that other media are.

I moved a similar amendment on Committee Stage and I acknowledge the feedback of the Minister of State and the assistance of officials at the Department of Business, Enterprise and Innovation, particularly Ms Grainne O’Carroll, who is responsible for copyright and intellectual property services. Ms O’Carroll was very helpful in framing the amendment and making some tweaks to it. I understand there were some reservations about its immediate adoption and it has been decided that the amendment will call on the Government to report within 12 months on the feasibility of establishing such a scheme and progress made on doing so. It is an important step and I hope it will find support in the House.

**Deputy Maurice Quinlivan:** I thank the Minister of State for the help the Department has given us on the Bill, especially with amendments we tabled. As the legislation is detailed and technical, I will keep my contribution short. We have already discussed the provisions of this Bill extensively on Second and Committee Stages. We need a strategy that enables creators to live from their work while ensuring a user’s right to access creative content is protected. We need an alliance of creators’ and users’ rights that supports freedom of access and use while, at the same time, valuing creative work. I welcome the provisions of the Bill which will give access to the lower courts for intellectual property claims. This will be of particular benefit to rights holders who are pursuing infringement actions. I also particularly welcome those provisions that are designed to provide for the greater availability of suitably modified versions of copyrighted works for use by persons with a disability.

I will support Deputy Lawless’s amendment relating to the digital legal deposit scheme in

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place of the amendment the Deputy and I introduced on Committee Stage. Just this morning the copyright directive going through the European Parliament was voted back to plenary session. What effect will this directive have on this domestic copyright legislation? Will this legislation need to be revisited and, if so, would it not make more sense to wait for the European legislation to conclude?

I thank the Library and Research Service for the great information it provides on technical Bills such as this, which is very useful and helpful. Sinn Féin will support the Bill and Deputy Lawless's amendment.

**Minister of State at the Department of Business, Enterprise and Innovation(Deputy John Halligan):** I thank Deputy Lawless for the amendment and Deputy Quinlivan for supporting it. We had a good discussion on “capturing the web” on Committee Stage. I thank the Deputies for their engagement on the issue. I understand the desire to capture the web for preservation purposes, however, that would be a significant national project and is not simply a matter of amending copyright legislation, as I have discussed. Aside from the technical amendment to the Copyright and Related Rights Act 2000, there are other issues that must be scrutinised when considering the development of any legislative changes. We spoke about these on Committee Stage and they include matters regarding governance, consideration of public interest and the potential impact on the rights holders. The Department of Culture, Heritage and the Gaeltacht, not my Department, has responsibility for policy in that area. The two Departments have been working together on this and will continue to do so. I am sure both Deputies and all in this House will support the necessary due diligence being undertaken as part of the development in this area. I am happy to accept the amendment because I see the proposal as a pragmatic way to advance the project while allowing time for the necessary work to take place.

I reassure the House that both Departments involved in this matter are actively engaged on the proposal and that the report will be prepared as specified in the amendment.

Regarding the Deputy's question on the European Commission, in September 2016, the European Commission presented a legislative package for the modernisation of the EU copyright rules, which included a proposed directive on copyright in the digital Single Market. I would highlight that the general scheme of the copyright Bill was approved by the Government in July 2016 prior to the publication of the proposed EU copyright directive. The final consolidated text of the directive was published on 17 May and the Bulgarian Presidency received a mandate to commence negotiations with the European Parliament. Ireland's current copyright legislation amendment contained in the Bill will not in any way conflict with anything contained in the proposed directive. That might answer the Deputy's question.

My Department will make any necessary legislative amendments based on all the discussions we had in committee and the proposals put forward once the directive is finalised and in line with obligations regarding the transposition of EU directives into national law. The European Parliament plenary session rejected amendments this morning and will debate many of the hundreds of amendments in September. This vote only happened this morning but Irish officials in Dublin and Brussels will continue to work to achieve a good outcome at European level.

Amendment agreed to.

Bill, as amended, received for final consideration and passed.

**Intoxicating Liquor (Breweries and Distilleries) Bill 2016: Report Stage (Resumed) and Final Stage**

Debate resumed on amendment No. 1.

In page 3, lines 10 to 25, to delete all words from and including “(1) Where” in line 10 down to and including line 25 and substitute the following:

“(1) Where a person who holds a relevant licence (in this section referred to as “the applicant”) duly gives notice of his or her intention to apply for a licence under this section in respect of a relevant premises and, at the proceedings in relation to the application, the applicant shows to the satisfaction of the Court that a relevant licence is in force in respect of the premises, the Court shall cause a certificate to be granted to the applicant entitling him or her to receive a licence in respect of the relevant premises (in this section referred to as a “producer’s retail licence”), unless the Court prohibits the issuing of the licence on the grounds of—

(a) the character, misconduct or unfitness of the applicant,

(b) the unfitness or inconvenience of the premises, or

(c) the unsuitability of the premises for the needs of persons residing in the neighbourhood.”.

-(Deputy Mick Wallace)

**An Ceann Comhairle:** We were discussing a grouping of amendments, amendments Nos. 1 to 3, inclusive. We had concluded discussing amendment No. 2 and amendment No. 3 is in the name of Deputy Clare Daly.

**Deputy Clare Daly:** Amendments Nos. 1 to 3, inclusive, relate to the necessity of the tour restriction for off-sales which we believe is unworkable and we want it removed. My amendment No. 3, which is basically the same as Deputy Kelly’s amendment No. 2, is to bring Report Stage in keeping with the view on Committee Stage. This is not about having a rival organisation to public houses or anything like that. There are only 62 production micro-breweries in the country. They are having a difficult enough time making ends meet. They produce a tiny percentage of the beer being consumed in the country, but from the way in which the legislation is being put forward now, one would think they were setting themselves up as a rival to Diageo. We do not accept that. Diageo and the big vintners can sell their products in pubs and supermarkets. What is being sought in these amendments is that these small fledgling indigenous industries will be given a fair crack of the whip and be allowed engage in off-sales without the restriction of having to provide a tour each time.

It is important to say my amendment will do away with the necessity of the brewery tour restriction, which is unenforceable. I will not repeat the points made by Deputy Wallace last night but it is unenforceable, useless and not necessary. Many people who love beer and the idea of micro-brewery production will be happy to do the tour voluntarily, but this amendment removes the requirement obligation to have the tour as part of an off-sale purchase.

**Deputy Donnchadh Ó Laoghaire:** I support amendments Nos. 1 to 3, inclusive, which relate largely to the restriction on sales being linked to a tour, about which I spoke briefly on

Committee Stage. The proposal in the amendment is sensible. In recent years we had the positive stories of many small businesses in rural areas that have developed their own food products and organic foods, including cheeses, honey and so on. People will visit these places to obtain those products. Many of these small breweries are quite small businesses. They need whatever supports and opportunities are available to them. People should be in a position where they can travel to these breweries and distilleries and purchase the product. The products may not be widely available in supermarkets. There may be a small selection of shops in which they can be bought. Therefore, the obvious place to buy these products is at the brewery or the distillery, which can only sell their own products.

It is not reasonable to suggest, as was done on Committee Stage, that this would be an alternative form of licensing for licensed premises as a result of which there may be unintended consequences. The objective in the amendment is sensible. As Deputy Wallace outlined, the idea that we could properly enforce the obligation to provide a tour is not reasonable. These businesses deserve the opportunity to sell their own wares. That would be the case anywhere else in the world and they should be permitted to do that under this legislation.

**Deputy Declan Breathnach:** I am pleased to have this opportunity to speak on this Bill on behalf of Fianna Fáil and our spokesperson, Deputy O’Callaghan. The Bill’s Title and that it is a 2016 Bill reflects the frustration of the micro-breweries in that many of them, certainly those in my constituency, have been champing at the bit in that regard and we had hoped this legislation would have been passed before the Houses adjourned for the summer recess last year. We all accept the need to regulate the breweries and distilleries, but we also need to recognise that they create massive employment, certainly in my region. I cannot help but think of the late Dr. Pearse Lyons of Alltech who put the craft brewing industry on the map in Ireland. In my area alone we have the Carlingford Brewing Company, the Listoke Distillery and Gin School, the Dundalk Bay Brewing Company and our infamous Cooley Distillery. This speaks volumes about the huge opportunities for food trails. The Boyne Valley food trail has been hugely successful and these brewhouses and distilleries are part of that. Add in the opportunities for employment and tourism and it is a much heralded and needed industry in my region and across the State. Microbrewing is seven times more labour intensive than that of the larger operations. This helps to create further employment, especially in rural communities scattered across the country.

The Bill reflects the delay and I want to see this Bill passed. We are already reaching the height of the tourism season and another summer cannot be lost. I hope there will be full consensus in the House and that we can do justice to the industry before the early afternoon today.

While we are all cognisant of the need to reduce alcohol consumption the Bill is clearly not about promoting consumption. It aims to support the craft brewers and the distillers and to allow them an appropriate licence for the sale pursuant to such a licence of alcohol for consumption on their premises. As other Deputies have said, while the concept of having the tour of the brewery is all important I firmly believe in the need to allow people to buy on the premises without necessarily having taken the tour. I am quite sure that the Minister’s Department officials are conscious of the regulations and know about the types of consumption on and off premises, but this provision would allow a purchase to be done with the singular visit and then people can obviously call back or recommend by word of mouth a place where people can buy quantities of the product that would not distort the market for the major players in this industry.

Having heard the debate in the Chamber last night on this group of amendments I expect

there will be consensus across the House on Deputies Daly, Kelly and Wallace's amendments and we can get agreement on them. They are very close together.

I compliment Deputy Alan Kelly. I recall that this time last year the brewing companies right across the country met here in Dublin and were - for want of a better word - all brewed up in expectation that the Intoxicating Liquor (Breweries and Distilleries) Bill 2016 would happen this season. I do not believe we need to further delay it. I certainly commend the Bill. I hope we can get cross-party consensus for putting the Bill onto the Statute Book.

**Deputy James Lawless:** I commend Deputy Alan Kelly for bringing this Bill forward. I shall speak briefly on what is an excellent Bill. It is a great example, to an extent, of new politics and how parties can work together by bringing something small but significant to industry. We are aware that microbreweries are coming on in leaps and bounds. They are increasing in popularity, frequency and numbers. They fit into the wider trend of quality produce and food that is produced and consumed locally. It also feeds into the farmers' markets and artisan markets that sell the high quality food and drink products for which Ireland is developing a reputation. It feeds into our tourism strategy and local enjoyment. It goes hand in hand with our wider tourism offering such as the Wild Atlantic Way and the Royal Canal Way. On Monday I attended a launch of another stretch of the Royal Canal Way in Maynooth and there are hopes to develop such a scheme on the Grand Canal also. This all ties into the whole idea of using attractions to bring people into an area. People can walk, hike and cycle to the area and then stop for a beer and sample some local food at the end of their day and perhaps visit a microbrewery. It is all part of the same experience and it is a very positive trend.

Fianna Fáil supports the Bill and the amendments. Our former Taoiseach, Brian Cowen, introduced measures favourable to the industry. When he was the Minister for Finance he started the microbrewery wave by introducing favourable tax treatment. By chance I recently spoke with a gentleman who had worked in the printing room at the Department of Finance. He was tasked with printing the budget each year. He was in the role for a number of decades and although different Ministers for Finance came and went, at each budget it was traditional that he would receive a small memento. It usually signified an element of the budget. If the pensions were increased this man would get a little note, or card or a book to mark the budget. When the budget went through with the tax measure for microbreweries he was given a bottle of beer as a celebration of that Finance Bill, which turbo charged the microbrewery industry. I believe he has not opened it, so it is still fermenting in Kilcock where he lives. I thought this was very interesting.

The Bill is a positive measure. The microbrewery trend is growing rapidly. In my constituency we have Trouble Brewing in Kill and the Kildare Brewing Company at Lock 13 in Sallins, which has a greenway right outside its door. The whole offering at the Kildare Brewing Company at Lock 13 is designed to bring people in for a tour. They can cycle their bikes, park up and get some food. After they eat they can visit the brewery. They have a brewery tour in operation but they cannot yet sell the beer. I know they are looking forward with great excitement to this Bill being passed. We also have Rye River Brewing Company in Celbridge, Kelly's Mountain Brew in Clane and I am aware that the Dew Drop in Kill is also looking to develop its own microbrewery on site. It really is a trend that is taking off and developing rapidly.

I commend the Ceann Comhairle on the showcase of Irish food that was held in the restaurant last night. The Ceann Comhairle played a big part in organising it and it was an excellent evening. It was a great idea and a great initiative. Perhaps on the next occasion craft beer or

wines will be in the spotlight. We might showcase those and give the industry a boost.

**Deputy Alan Kelly:** Hear. Hear.

**Deputy Mick Wallace:** We will bring some organic wine also.

**Deputy James Lawless:** Absolutely.

**Minister for Justice and Equality(Deputy Charles Flanagan):** I agree with the Deputies' comments on the importance of this legislation. I acknowledge again the leadership of Deputy Alan Kelly in this. Like the other Members, I hope we can have an early passage of the Bill. The early afternoon was mentioned by Deputy Breathnach. Let us see what we can do.

At the outset I must make it clear that I will not accept the amendments tabled by Deputies Daly, Kelly and Wallace. I invite Deputy Breathnach, who spoke so eloquently about the Bill, to agree with me that amendments Nos. 1 to 3, inclusive, seek to change fundamentally the scope and purpose of the Bill.

When the Bill was introduced last year the proposer made it clear that the purpose of the Bill was to permit craft breweries and distilleries to sell their own products to visitors and tourists. The tourism aspect was stressed and it has been a common theme throughout this debate that manufacturers wanted to offer a tourism experience to tourists and visitors. At the time the proposer drew an unfavourable comparison between the strict licensing laws applicable to premises in Ireland that manufacture alcohol products, which prohibit retail sales to visitors and tourists, and the relaxed rules applicable, for example, in the vineyards of Italy, France and Spain. The Government accepted Deputy Kelly's Bill and provided the necessary money message on that basis. We now see that the Deputies have tabled amendments that would, in effect, create a new form of off-licence that would permit the sale of intoxicating liquor produced on the premises to any member of the public. It would no longer be necessary for the purchaser of such liquor to have participated in a visit or tour of the premises. There are some 170 manufacturing licences in operation currently. The amendment's fundamental change risks defeating the key objective of the new licence and would permit licence holders to concentrate on selling their products to the public rather than on providing facilities for tourists and visitors to participate in guided tours of the premises. This was something of an amusing matter last evening, but there is a serious aspect to it, in that the generation of unfair trading conditions for other licence holders could create new risks to public order arising from the public consumption of alcohol products in the vicinity of what is described in the Bill as manufacturing premises. Amendment No. 1 would dispense with the requirement that the applicant for a licence must demonstrate to the satisfaction of the court that an appropriate mechanism is in place to restrict the sale of intoxicating liquor produced on the premises to those who have completed a visit or tour of the premises. For the reason I have outlined, this is not acceptable.

Amendment No. 2 would retain the guided tour condition for on-sales, namely, sales for consumption on the premises, but it would not apply in the case of off-sales. That is a problem and not acceptable. It would allow an applicant for a licence to circumvent the guided tour condition altogether where the intention was to concentrate on off-sales. In effect, there would not be a contribution to tourism and the premises would be a new form of off-licence.

Similar to amendment No. 2, since it would confine the guided tour condition to on-sales, amendment No. 3 in the name of Deputy Clare Daly would permit off-sales to any member of the public. We had a considerable debate on these issues on Committee Stage. In the light of

that debate and having examined the amendments, they are not acceptable for these reasons.

**Deputy Clare Daly:** The Minister's comments are unfortunate. In essence, there is a certain rewriting of history. The Minister seems to have skipped over the entirety of the Committee Stage debate, when we added to the discussion on Second Stage and fine-tuned the Bill. There was agreement across all parties that we should advance in a modest way to elevate the tourism aspect since many craft beer drinkers like the tourism experience. My amendment would still require them to take the tour if they wanted to consume or taste a beverage on site. It would only remove the tour in the case of off-sales. I will not repeat our discussion on Committee Stage when we debated the matter at length and the overwhelming majority of members agreed. Busloads of people will not travel from Dublin to a craft brewery in County Tipperary or the like to stock up on drink. We are talking about local people who want to drop in, sample a local creation and bring home a few beers to drink.

On the idea that it would constitute unfair trading conditions, the premises would only be open from 10 a.m. to 7 p.m. I hope it will be 7 p.m., but that is a debate for later. Most people will be at work during these hours. The idea that someone dropping in to buy a bottle or two of beer on his or her way home from work to drink it in his or her sitting room will lead to anti-social behaviour and marauding gangs of drunks stampeding across the countryside is ludicrous.

We are at the end of term. Despite having discussed the matter at length on Committee Stage, the Minister seems to have written out the middle part of the debate. Tourism and craft breweries are protected. The amendment would merely facilitate the person who wants to drop in to buy a six-pack or whatever else after work by not requiring him or her to go through the charade of taking a tour.

**Deputy Mick Wallace:** It is disappointing that the Minister has shown so little respect for the committee, although this is not the first time it has happened - so much for new politics. The idea of a cross-party consensus on legislation must be positive. With the exception of the Minister, just about everyone at the committee was on the same wavelength about facilitating microbreweries to grow. In light of the notion that the Minister is prepared to fight lock, stock and barrel for Diageo, I could be forgiven for suspecting that he has shares in the company.

**An Ceann Comhairle:** No, please, do not go there.

**Deputy Mick Wallace:** Okay.

**Deputy Clare Daly:** It was a joke.

**Deputy Mick Wallace:** I was not saying the Minister had shares in it. He made the point-----

**Deputy Charles Flanagan:** I would not expect anything more from the Deputy.

**Deputy Mick Wallace:** Is the Minister allowed to talk while I am speaking?

**Deputy Charles Flanagan:** Actually, I am not the one who has an interest in the business.

**Deputy Mick Wallace:** The Minister's point about the tourism element-----

**Deputy Charles Flanagan:** I just want to make it clear-----

**An Ceann Comhairle:** I will allow the Minister to respond in one minute.

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**Deputy Clare Daly:** Deputy Wallace knows that the Minister does not have shares in the company. He just said that.

**Deputy Charles Flanagan:** On a point of order, it is most unfair of Deputy Wallace to make allegations when he himself should be declaring his own interest in the issue.

**Deputy Mick Wallace:** Is the Minister allowed to say what he likes while I am speaking?

**An Ceann Comhairle:** Please, can we return to having a slightly more moderate debate?

**Deputy Declan Breathnach:** Yes.

**Deputy Alan Kelly:** Agreed.

**Deputy Mick Wallace:** Absolutely.

Amendment No. 1 would do away with the tour requirement. Even though we would probably win the vote, I am prepared not to push it in the interests of consensus and harmony and the hope the Minister will see sanity and allow off-sales to proceed without the tour requirement and the premises to stay open until 7 p.m. rather than 6 p.m. The earlier time is ridiculous, but we can debate that point later. We are being reasonable. We do not believe microbreweries will be any threat to Diageo, other large breweries or pubs. The amendment would help small industry.

**Deputy Alan Kelly:** To be fair, the Minister is a supporter of the breweries. The people involved in the 12 Acres Brewing Company have said so. Having listened to what was discussed on Committee Stage, the breweries and, to be honest, what our colleagues in the House have been telling us, we are trying to improve the legislation. This is a small Bill which I was glad to sponsor. I thank the Minister's colleagues in his Department for working with me on it. We need to get it through the Seanad by the week after next in order that it can have an impact on the hundreds of jobs affected in many parts of rural Ireland, a number that has the potential to grow into the thousands.

I thank Deputy Mick Wallace for the compromise which would see the House accepting amendment No. 2 in my name - Deputy Clare Daly and I have similar amendments - to allow for off-sales. It combines with amendment No. 6. I will accept Deputy Clare Daly's amendment to my amendment on a closing time of 7 p.m.

This is common sense. The Minister goes to his local brewery and I go to mine. There are four in County Tipperary. I could go to the White Gypsy Brewery or the like on a Friday evening and pick up a six-pack for a barbecue at the weekend. I have been there 20 times and I am hardly going to take a tour every time I go back just to buy a box of my favourite beer. It would not make sense. I ask the Minister to accept the amendment. All we are doing is accepting his amendments by changing the Bill to allow off-sales to locals which will be modest in scope without also having to take a tour. Taking a tour would remain a requirement for on-sales. The finishing time would also be changed to 7 p.m. I hope we can send the Bill to the Seanad next week - the Leader of the Upper House, Senator Jerry Buttimer, has been facilitatory - and allow the industry to grow.

**Deputy Declan Breathnach:** The compromise would allow for the establishments' progression and profitability. Having visited quite a number of them, particularly while on holiday abroad, I have yet to see people overindulge. Those who buy from them, be they on a tour or

otherwise, certainly leave the premises in a state of sobriety.

The Minister has raised an issue with the neighbourhood and the suitability of the premises, but it would be addressed in the licensing process. A licence can be refused on “the grounds of the character, misconduct or unfitness of the applicant or of the unfitness or inconvenience of the premises” or the unsuitability of the premises to the needs of persons residing in the neighbourhood. I dare say some of the other licensed premises can be obstreperous at the best of times. We have said politics is about the art of compromise, but it is equally about reaching a consensus to facilitate this change. I agree with Deputy Kelly that the off-sales aspect can be controlled by the Minister at any stage. The words, “This pack is not to be opened on the premises”, could be printed on it. I was not at the committee, but I am sure, outside the legislation, the Minister is capable of reaching agreement. If people visit as tourists, they will sign a book or buy a ticket. Those who visit to collect could simply sign that they would not avail of it on the premises. There could be a little smartness too. They could view the tour on a CD or link. We are picking at crumbs when we should have the legislation passed to let the breweries to progress and move towards profitability. The amendments could be dealt with quickly with a compromise on the part of the Minister.

**An Ceann Comhairle:** We are anxious to deal with them now. Does the Minister want to comment?

**Deputy Charles Flanagan:** I am in the hands of the House, but I have to say I am not of a mind to create a new form of off-licence. The sale and distribution of a restricted substance, alcohol, fall within the remit of the Department of Justice and Equality. There is other, not unrelated, legislation, the Public Health (Alcohol) Bill, of which I have heard Deputies in the House who are speaking in favour of this Bill speak in favour. There is a contradiction in terms-----

**Deputy Donnchadh Ó Laoghaire:** There is not.

**Deputy Charles Flanagan:** -----if I am being asked to relax the law and allow a new form of off-licence throughout the country. Deputy Breathnach speaks about tourism. He is right that the basis of the Bill is to facilitate the tourism industry. Deputy Kelly speaks about locals and others dropping out on a Friday night to buy a six-pack.

**Deputy Alan Kelly:** It would be a good improvement.

**Deputy Charles Flanagan:** They are not tourists. Deputy Wallace speaks about opening up craft breweries for off-sales. I acknowledge the spirit of co-operation. It is a Private Members' Bill and I defer to Deputy Kelly on his initiative. I am supportive of the Bill and it is wrong of Deputy Wallace to suggest I do not support it. It is also wrong of him to suggest I have a vested interest by way of having shares in any drinks or alcohol company. I do not.

**Deputy Mick Wallace:** That is not true. The Minister misquoted me.

**An Ceann Comhairle:** Please let the Minister answer.

**Deputy Charles Flanagan:** I make that clear. I hope that by making it clear Deputy Wallace and any other Deputy will make their positions utterly clear too. I am not of a mind to accept the amendments. If people are looking for a compromise, under Dáil procedure, it is not possible to pick and choose certain words from different amendments in the way that has been put to me in order that I might consider a certain aspect of one amendment and another aspect

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of another. Procedurally, that is not procedurally. I will have an opportunity in the Seanad next week and will be happy to reflect on how best we can incorporate the compromise about which Deputy Breathnach speaks. However, I will not open a new scheme or arrangement or introduce a new off-licence regime, but if the House decides otherwise, I will be in its hands. As I said, I will not open in this manner a new licensing regime which will allow for the sale and distribution of intoxicating liquor for consumption off the premises. Two of the buildings or breweries of which we are speaking are in my constituency. I support them fully, having visited and sampled the product, both on and off the premises. I refer to Ballykilcavan Brewery in Stradbally and the Twelve Acres Brewery in Killestin in south County Laois.

**Deputy Alan Kelly:** Excellent.

**Deputy Declan Breathnach:** I hope they did not notice that the Minister had gone home.

**Deputy Charles Flanagan:** I recognise the importance of craft breweries for a number of reasons, not least the provision of employment, the production, marketing, sale and distribution of excellent Irish product, as well as that of the tourism industry. I do not think it was ever the intention that this tourism-prompted Bill would, in effect, lead to a new off-licence regime, particularly in places where many pubs in close proximity are struggling, in both rural and urban areas. I will not introduce a new element in the licensing code.

**An Ceann Comhairle:** I assure the Minister that we will not depart from established and proper procedure in processing this or any other Bill.

**Deputy Charles Flanagan:** I thank the Ceann Comhairle.

**Deputy Mick Wallace:** We should have brought some craft beer in with us today as we might have got on better.

**An Ceann Comhairle:** I worry that some Members might have had some before they came in.

**Deputy Mick Wallace:** I had one, but I did not have enough.

*(Interruptions).*

**Deputy Mick Wallace:** It is unfair to say we would be opening up a new regime of off-licences. The breweries would only be allowed to sell their own beer. The Minister seems to have no problem with thousands of supermarkets all over Ireland being able to sell hundreds of beers and spirits, but he has a problem with 62 microbreweries having the potential to sell their own product. How would that make them off-licences, if they could only sell the product they make themselves? There is no comparison. The Minister is being a little unfair. I ask him to reconsider and look at the matter again. He should have a couple of good craft beers over the weekend and reconsider his position.

On the tourism element, if the Minister checks the record of proceedings at the committee, he will find that we were not confining our argument to breweries selling to tourists. Of course, it could boost the tourism industry, but it could also give the small microbreweries an opportunity to survive. It is not easy to survive against the big boys. They are indigenous. None of the big boys is Irish. Their profits do not stay in Ireland but go elsewhere. We want to help small, indigenous Irish industries in the microbrewery game to give them a chance to survive.

**An Ceann Comhairle:** We have been joined by Deputies Michael Collins and Danny Healy-Rae who want to contribute. As we are all anxious to progress the legislation, I ask that the Deputies' contributions be brief.

**Deputy Michael Collins:** We have a serious problem in this country in getting carried away as if we are all raging alcohols and lunatics. Microbreweries will find it hard to survive. I recently visited one under construction in Clonakilty, Clonakilty Brewing Company, where an individual pointed out to me that the opportunity to bring tourists to west Cork was phenomenal. This is moving away slightly from what we are talking about, but there was an advertisement on the window of the high-rise building in which the company was located. The person concerned was not allowed to advertise his company if there was a play school or any school within a certain distance of the building. We get too carried away. Children in play schools are not running up to a brewery or a pub for pint bottles. I have a conflict of interest up to a point since my brothers have pubs in west Cork, but that is not what we are talking about. We are talking about microbreweries. As others have done, I ask the Minister to reconsider to ensure their survival. When a person visits a microbrewery, if he or she wants to do so, he or she should have the opportunity to purchase its product or products. The House has to pull back a small bit from the hang-up about alcohol it has shown for the past 12 or 18 months. Most of the people I hear giving out about drinking alcohol are drinking a bottle or two of wine every night at home. God only knows how much over the limit they are the next morning. If the blood alcohol limit was set at zero, the very people who are telling us we are doing the wrong thing would be caught. I would appreciate if the Minister gave serious consideration to the amendment.

**Deputy Danny Healy-Rae:** I support the call for microbreweries to be allowed sell their product to visitors. We have wonderful breweries in Killarney such as Killarney Brewing and we also have the Dingle Distillery, which produces Dingle gin among other products. It is an attraction for tourists to visit such places and it makes sense to allow them to buy a sample and take it away with them. Are the brewers supposed to tell tourists to go down the street or go to the next town?

**Deputy Charles Flanagan:** That is exactly what we are doing.

**Deputy Danny Healy-Rae:** It does not make sense.

**Deputy Charles Flanagan:** I thought Deputy Danny Healy-Rae was a defender of the rural pub.

**Deputy Danny Healy-Rae:** Of course I am.

**Deputy Charles Flanagan:** I heard the Deputy talking about the demise of the rural pub.

**Deputy Danny Healy-Rae:** Of course I did.

**Deputy Charles Flanagan:** The Deputy wants transport for fellows to get home from the pub.

**Deputy Michael Collins:** We cannot get it. The Minister for Transport, Tourism and Sport, Deputy Ross, will close every pub in the country by the time he is finished.

**Deputy Danny Healy-Rae:** The Minister should not say I am not in favour of the rural pub. I want to tell him about the Minister for Transport, Tourism and Sport, Deputy Ross. Today, there was another serious accident at Glenflesk Church. Seeing as he has been mentioned, I call

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on the Minister, Deputy Ross, to resign because of what happened today.

**Deputy Michael Fitzmaurice:** Hear, hear.

**An Ceann Comhairle:** We are talking about microbreweries. Could we stick with that?

**Deputy Danny Healy-Rae:** Yes, we will, a Cheann Comhairle. Microbreweries are a new phenomenon and an addition to our tourism attractions. It does not make any sense to try to stop people buying an amount of alcohol to take away with them.

**Deputy Charles Flanagan:** That is what I am providing for. I am not preventing that.

**Deputy Danny Healy-Rae:** The Minister said he will not allow people to buy alcohol to take away with them.

**Deputy Charles Flanagan:** They can do so, but only under certain circumstances.

**Deputy Danny Healy-Rae:** Live horse, and you will get grass. That is only another tactic. I support Deputy Wallace's request to allow microbreweries to sell their product to customers and visitors.

**Deputy Michael Fitzmaurice:** I urge the Minister to reach a compromise between Deputy Clare Daly's amendment and Deputy Alan Kelly's amendment. I accept there are three amendments in the group. We need to be understanding of the specialised nature of the beer involved. The fellow who goes to the pub every night is not drinking this type of beer every night of the week. As Deputy Danny Healy-Rae said, they are basically two different set-ups. The anomaly Deputy Wallace pointed out in the case of a person going in for a six-pack every week must be addressed. It is nearly a laugh the way it is structured currently. We need to compromise along the lines proposed by Deputy Clare Daly and Deputy Kelly in order to solve the issue so that people can do a tour and stay for a drink. Craft beer is specialised. People will have it with a meal, rather than drinking 20 pints of it.

**Deputy Alan Kelly:** They might.

**Deputy Michael Fitzmaurice:** They would need to have very deep pockets. The Dáil should not leave such an anomaly in legislation. If someone wants to go once a week to a microbrewery to get a six-pack of beer, he or she should not have to do a tour.

**Deputy Charles Flanagan:** Once a week?

**Deputy Michael Fitzmaurice:** However, if someone wants to spend some time in a microbrewery and have a drink, he or she should be required to do a tour. We should be able to work out a common-sense approach. I support the amendments and I commend Deputy Kelly on his Bill.

We have microbreweries in Roscommon as well. They give employment to areas that may not have the same level of employment that is available in other areas. It is great to see craft beer being exported. In Roscommon we have the Black Donkey Brewery and it exports beer to Russia and other countries. That is great to see. Farmers get a top price in Australia for a certain type of grain that is being used for brewing. If Teagasc could do research to come up with a specialised mix that would be unique, it would be good both for those in the community who might be able to grow a few acres of it and the brewery that would use the grain.

Amendment, by leave, withdrawn.

**Deputy Alan Kelly:** I move amendment No. 2:

In page 3, to delete lines 15 to 17 and substitute the following:

“(b) an appropriate mechanism is in place to restrict the sale pursuant to a licence granted under this section of intoxicating liquor on the premises, for consumption on the premises, to persons who have completed a guided tour of the premises,”.

Amendment put:

| <i>The Dáil divided: Tá, 63; Níl, 38; Staon, 0.</i> |                                    |              |
|---|------------------------------------|--------------|
| <i>Tá</i>   | <i>Níl</i>                         | <i>Staon</i> |
| <i>Adams, Gerry.</i>                                | <i>Breen, Pat.</i>                 |              |
| <i>Aylward, Bobby.</i>                              | <i>Brophy, Colm.</i>               |              |
| <i>Boyd Barrett, Richard.</i>                       | <i>Bruton, Richard.</i>            |              |
| <i>Brady, John.</i>                                 | <i>Burke, Peter.</i>               |              |
| <i>Breathnach, Declan.</i>                          | <i>Byrne, Catherine.</i>           |              |
| <i>Broughan, Thomas P.</i>                          | <i>Canney, Seán.</i>               |              |
| <i>Browne, James.</i>                               | <i>Cannon, Ciarán.</i>             |              |
| <i>Buckley, Pat.</i>                                | <i>Carey, Joe.</i>                 |              |
| <i>Burton, Joan.</i>                                | <i>Corcoran Kennedy, Marcella.</i> |              |
| <i>Butler, Mary.</i>                                | <i>Coveney, Simon.</i>             |              |
| <i>Cahill, Jackie.</i>                              | <i>D’Arcy, Michael.</i>            |              |
| <i>Calleary, Dara.</i>                              | <i>Daly, Jim.</i>                  |              |
| <i>Cassells, Shane.</i>                             | <i>Deasy, John.</i>                |              |
| <i>Collins, Michael.</i>                            | <i>Deering, Pat.</i>               |              |
| <i>Cowen, Barry.</i>                                | <i>Doherty, Regina.</i>            |              |
| <i>Curran, John.</i>                                | <i>Doyle, Andrew.</i>              |              |
| <i>Daly, Clare.</i>                                 | <i>Durkan, Bernard J.</i>          |              |
| <i>Donnelly, Stephen S.</i>                         | <i>English, Damien.</i>            |              |
| <i>Ellis, Dessie.</i>                               | <i>Farrell, Alan.</i>              |              |
| <i>Ferris, Martin.</i>                              | <i>Flanagan, Charles.</i>          |              |
| <i>Fitzmaurice, Michael.</i>                        | <i>Griffin, Brendan.</i>           |              |
| <i>Grealish, Noel.</i>                              | <i>Harris, Simon.</i>              |              |
| <i>Harty, Michael.</i>                              | <i>Humphreys, Heather.</i>         |              |
| <i>Haughey, Seán.</i>                               | <i>Kyne, Seán.</i>                 |              |
| <i>Healy-Rae, Danny.</i>                            | <i>McGrath, Finian.</i>            |              |
| <i>Healy, Seamus.</i>                               | <i>McHugh, Joe.</i>                |              |
| <i>Howlin, Brendan.</i>                             | <i>Moran, Kevin Boxer.</i>         |              |
| <i>Kelleher, Billy.</i>                             | <i>Naughten, Denis.</i>            |              |
| <i>Kelly, Alan.</i>                                 | <i>Naughton, Hildegarde.</i>       |              |
| <i>Kenny, Martin.</i>                               | <i>Neville, Tom.</i>               |              |
| <i>Lahart, John.</i>                                | <i>O’Connell, Kate.</i>            |              |

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|                                   |                            |  |
|-----------------------------------|----------------------------|--|
| <i>Lawless, James.</i>            | <i>O'Donovan, Patrick.</i> |  |
| <i>Martin, Catherine.</i>         | <i>O'Dowd, Fergus.</i>     |  |
| <i>McGrath, Mattie.</i>           | <i>Phelan, John Paul.</i>  |  |
| <i>McGrath, Michael.</i>          | <i>Ring, Michael.</i>      |  |
| <i>McGuinness, John.</i>          | <i>Rock, Noel.</i>         |  |
| <i>Mitchell, Denise.</i>          | <i>Ross, Shane.</i>        |  |
| <i>Moynihan, Aindrias.</i>        | <i>Stanton, David.</i>     |  |
| <i>Moynihan, Michael.</i>         |                            |  |
| <i>Munster, Imelda.</i>           |                            |  |
| <i>Murphy O'Mahony, Margaret.</i> |                            |  |
| <i>Murphy, Eugene.</i>            |                            |  |
| <i>Nolan, Carol.</i>              |                            |  |
| <i>O'Brien, Darragh.</i>          |                            |  |
| <i>O'Keeffe, Kevin.</i>           |                            |  |
| <i>O'Reilly, Louise.</i>          |                            |  |
| <i>O'Rourke, Frank.</i>           |                            |  |
| <i>O'Sullivan, Jan.</i>           |                            |  |
| <i>O'Sullivan, Maureen.</i>       |                            |  |
| <i>Ó Broin, Eoin.</i>             |                            |  |
| <i>Ó Caoláin, Caoimhghín.</i>     |                            |  |
| <i>Ó Laoghaire, Donnchadh.</i>    |                            |  |
| <i>Ó Snodaigh, Aengus.</i>        |                            |  |
| <i>Penrose, Willie.</i>           |                            |  |
| <i>Quinlivan, Maurice.</i>        |                            |  |
| <i>Ryan, Eamon.</i>               |                            |  |
| <i>Scanlon, Eamon.</i>            |                            |  |
| <i>Smith, Brendan.</i>            |                            |  |
| <i>Smith, Bríd.</i>               |                            |  |
| <i>Smyth, Niamh.</i>              |                            |  |
| <i>Stanley, Brian.</i>            |                            |  |
| <i>Tóibín, Peadar.</i>            |                            |  |
| <i>Wallace, Mick.</i>             |                            |  |

Tellers: Tá, Deputies Alan Kelly and Jan O'Sullivan; Níl, Deputies Joe McHugh and Joe Carey.

Amendment declared carried.

**An Ceann Comhairle:** Because amendment No. 2 has been agreed, amendment No. 3 can-

not be moved.

Amendment No. 3 not moved.

**Deputy Charles Flanagan:** I move amendment No. 4:

In page 3, between lines 30 and 31, to insert the following:

“(3) A licence issued by the Revenue Commissioners in accordance with *subsection (2)*—

(a) shall expire at midnight on the next following 30 September after the commencement of the period to which the licence relates, and

(b) may be renewed.”.

The Revenue Commissioners have requested the inclusion of a new subsection which clarifies that licences issued under this legislation will expire on 30 September each year and are renewable. This is a standard provision since intoxicating liquor licences expire *3 o'clock* on 30 September each year. Under the 1986 legislation licences are renewed on an automatic basis by the Revenue Commissioners unless there is an objection to the renewal and that objection has been formally lodged with the District Court on the basis that the premises, during the preceding year, has not been operated in an orderly or peaceable manner. I put it to Members that it is a standard provision in line with all similar provisions that apply to the sale of intoxicating liquor.

Amendment agreed to.

**Deputy Mick Wallace:** I move amendment No. 5:

In page 4, to delete line 2 and substitute “relevant licence, Wine Retailers On Licence and Restaurant Certificate, shall be extinguished.”.

The Government argues that the purpose of this limitation is to prevent abuses and distortions of competition between categories of licensed premises. Currently, some public houses contain a brewery and operate on the basis of their public house licence, including permitted trading hours. If such premises could operate simultaneously on the basis of the proposed new retail licence for holders of manufacturing licences, they would be in a position to sell intoxicating liquor during hours outside of what we are in the process of agreeing. I am prepared to withdraw the amendment, therefore, in the interest of conciliation.

Amendment, by leave, withdrawn.

**An Ceann Comhairle:** Amendment No. 6 is in the name of Deputy Alan Kelly. Amendments Nos. 6 to 10, inclusive, are related, amendments Nos. 7 to 10, inclusive, are physical alternatives to amendment No. 6 and amendments Nos. 8 to 10, inclusive, are physical alternatives to amendment No. 7. Amendments Nos. 6 to 10, inclusive, may be discussed together.

**Deputy Alan Kelly:** I move amendment No. 6:

In page 4, to delete lines 3 to 12 and substitute the following:

“(5) Notwithstanding anything contained in the Licensing Acts 1833 to 2018, a licence

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issued or renewed under this section shall operate to authorise, between the hours of 10.00 a.m. and 6.00 p.m. each day other than Christmas Day, the sale on the premises to which the licence is attached of intoxicating liquor manufactured in accordance with a relevant licence on the premises—

(a) to persons who have completed a guided tour of the premises—

(i) for consumption on or off the premises, where the certificate referred to in *subsection (1)* has been granted by the Circuit Court, or

(ii) for consumption off the relevant premises where the certificate referred to in *subsection (1)* has been granted by the District Court,

and

(b) to persons other than those referred to in *paragraph (a)* for consumption off the relevant premises, where the certificate referred to in *subsection (1)* has been granted by the Circuit Court or the District Court.”.

This amendment is a substitute for what is already in the section that will allow for the consumption off premises - off-sales - as outlined in the previous amendment we voted on, amendment No. 2. It will follow through on that by inserting “(b) to persons other than those referred to in *paragraph (a)* for consumption off the relevant premises, where the certificate referred to in *subsection (1)* has been granted by the Circuit Court or the District Court”. This provision is to ensure that this part of the Bill allows that to happen.

If it is possible, and I hope it is following discussion, I am agreeable to changing the 10 a.m. to 6 p.m. in this amendment to be 10 a.m. to 7 p.m. as proposed in Deputy Clare Daly’s amendment No. 8. I understand that has to be done with the permission of the Ceann Comhairle and if it is allowable. I would be agreeable to Deputy Daly’s amendment No. 8 amending my amendment No. 6 to facilitate that.

**Deputy Clare Daly:** I echo the point made by Deputy Kelly. My amendment complements his amendment No. 6. The two can be married, as it were, and succeed in having the outcome sought by the Select Committee on Justice and Equality. I recall the Fine Gael members on the committee were very vocal also in recommending that the facility would be allowed remain open until 7 p.m. It is a practical issue in terms of where these sites are located. Leaving it at 6 p.m. is somewhat restrictive for people who are in work whereas if we change it to 7 p.m. there will not be gangs of people sitting around competing with the pubs, which seems to be the Minister’s concern. The two amendments fit neatly together and, with the agreement of the House, we can agree amendments Nos. 6 and 8 and then have the position which was agreed by the Select Committee on Justice and Equality.

**Deputy Mick Wallace:** To echo Deputy Daly’s points, if we had left the closing time at 6 p.m. we would have been confining the craft breweries to having an opportunity to sell their products on their premises at the weekends because not many people would get to them before 6 p.m. of a weekday, given that the majority of people in the country do work.

My amendment No. 7 is linked to the theme in amendment No. 1, which I withdrew to try to keep the Minister sweet. Rather than seeking to abolish tours, which I sought in amendment No. 1, amendment No. 7, which proposes extending the opening hours to 7 p.m., also incorpo-

rates the fact that the tour would be removed. Despite the fact that I still insist it is poor legislation, in the interests of peace I agreed to withdraw amendment No. 1, so I will also withdraw amendment No. 7.

**Deputy Charles Flanagan:** Is Deputy Wallace withdrawing the amendment?

**An Ceann Comhairle:** He is withdrawing amendment No. 7.

I am advised it is in order for Deputy Daly's amendment No. 8 to be moved as an amendment to Deputy Kelly's amendment No. 6 but she must first move it and the House must be prepared to accept it.

**Deputy Clare Daly:** I move amendment No. 1 to amendment No. 6:

In page 4, lines 5 and 6, to delete "6.00 p.m." and substitute "7.00 p.m."

**An Ceann Comhairle:** That is in order and in accordance with proper procedure. Does the Minister wish to respond to these matters?

**Deputy Charles Flanagan:** I see myself being portrayed here by Deputy Wallace, Deputy Kelly and even Deputy Breathnach as some form of killjoy-----

**Deputy Alan Kelly:** Not at all.

**Deputy Charles Flanagan:** -----in the matter of this tourism initiative. I stated earlier, and I restate strongly now, that I am not minded to opening up a new category of off-licence in the State. I say that with particular reference to the Public Health (Alcohol) Bill and the utterances, and the disposition, of Members of all parties in this House. I am surprised at the contradictions in the parties' positions on these two Bills. I am being asked to liberalise the off-licence regime on the one hand and, on the other hand, my colleague, the Minister for Health, Deputy Harris, is being exhorted to control and restrict the sale of alcohol. I see a contradiction in that and am surprised that Members opposite do not appear to see it.

Amendment No. 6 seeks to extend the scope of the Bill to permit off sales to members of the public who have not participated in a tour of the premises, in other words, drop-in sales, the picking up of the few six-packs, not by tourists. I do not know any tourists who are going to drop by on a Friday evening and pick up a few six-packs for the lads for the party or the stag, or whatever is being conducted in the parish that weekend. I am not inclined to extend the scope of the Bill to facilitate such sales.

Amendments Nos. 9 and 10 by Deputy Clare Daly have a similar purpose. They are not acceptable because to my mind they depart from the core purpose of the Bill, which is to facilitate tourists and the tourism industry, like the experience Deputy Breathnach has described abroad, although not in Dundalk or north Louth.

Amendment No. 7 has been withdrawn and there is something of a composite proposal which has met with the Ceann Comhairle's approval. I am conscious of the fact that his approval was given to a number of amendments in recent times that did not transpire to be what on the face of it they should have been.

Amendment No. 8, tabled by Deputies Wallace and Daly-----

**An Ceann Comhairle:** I am not quite sure what the Minister is saying to me.

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**Deputy Charles Flanagan:** I am talking about the Judicial Appointments Commission Bill, which is currently going through the Seanad and dealing with a series of amendments that were ruled out of order under controversial circumstances here late one night.

**Deputy Mick Wallace:** That was not the Ceann Comhairle's fault. That is nonsense.

**An Ceann Comhairle:** Order, please.

**Deputy Charles Flanagan:** Amendment No. 8 proposes extending the hours from 6 p.m. to 7 p.m. We discussed this on Second Stage and Committee Stage. There was broad support for 10 a.m. to 6 p.m. as proposed by Deputy Alan Kelly. Were I to accept the amendment, although I am not minded to do so, I am conscious of a contradiction that appears under section 1(5) of the Bill, permitting sales between the hours of 10 a.m. and 6 p.m. each day other than Christmas Day to persons who have completed a guided tour of the premises provided that the liquor was manufactured in accordance with the relevant licence. It is not as simple as changing the time from 6 p.m. to 7 p.m. We are still left with the issue of the tour. I will have a look at it between now and the Seanad, if the House is disposed to allow me such reflection. If it is just an issue of extending the trading hours to 7 p.m. and if the House is minded to say to me that there appears to be consensus on the matter, I will have a look at it without dividing the House. I say that, however, having regard to the fact that the hours of 10 a.m. to 6 p.m. appear to me to cater for the needs of tourists and visitors. It might not cater for Deputy Kelly's local lads in the car loading up the boot with six-packs on a Friday evening, especially if they are coming from work, especially if they are travelling to rural Tipperary. I will have a look at it if it is just a matter of 60 minutes. I want to make sure there are not any contradictions in the Bill so I am not prepared to accept the composite proposal that is before the House. I also want to refer to the working hours of the staff and what that will mean. I am assuming that is an issue that can be managed in the microbreweries.

**Deputy Donnchadh Ó Laoghaire:** The Minister has referred a number of times to a perceived conflict with the Public Health (Alcohol) Bill. I am a supporter of that Bill and keen to see it progressed. It is focused on tackling the visibility of alcohol in ordinary retail and issues in respect of sponsorship, and on reducing the general visibility of alcohol and the exposure of young and vulnerable people to alcohol. This is a very different matter. I doubt that even professionals in public health who are lobbying for the Public Health (Alcohol) Bill would express much opposition to the legislation before us today. It is a very sensible and reasonable proposition that the location producing these goods should be allowed to sell them, as it would with any other food product. It is not a very expansive series of products but just whatever products they are producing themselves. I reject the idea that there is any contradiction between supporting these very modest and sensible proposals and the Public Health (Alcohol) Bill, which is very important legislation that I want to see progressed. I do not think anybody would see a contradiction.

**Deputy Mick Wallace:** I also find it amusing that the Minister would conflate the Public Health (Alcohol) Bill with the craft beer Bill. I understand the health Bill is seeking to tackle abuse of alcohol in the country. I can assure the Minister that the more craft beer we make and sell in competition with the big boys like Diageo, the more of a positive step it will be health-wise. Craft beer is much better for our health than the chemical beers made by the big brewers. Craft beer drinkers are consuming a much better product and consume a lot less of it because it is not possible to drink anything like the same quantities as there is far more substance to craft beer. From a health point of view, the Government should promote craft beer a lot more than is

achieved by the measures we are discussing today.

On the issue of tourism and the idea that the tourists will be sorted by 6 p.m. in the brewery, would the Minister also suggest that they will be sorted in the supermarkets for take-out after 6 p.m.? Maybe we should stop the tourists buying alcohol in supermarkets after 6 p.m. and likewise tell them they need to get all their beer before 6 p.m. in the pubs. It seems an irrational argument.

I am not going to go to the space of the Minister's comment on the Judicial Appointments Bill. The Ceann Comhairle will be well able to look after himself on that matter. I am 100% certain he has right on his side.

**Deputy Clare Daly:** The Minister talks about this legislation being moved solely for the purpose of tourism. He is ignoring entirely the discussions that took place at the justice committee, which not only recognised the role craft breweries could play in assisting tourism but also acknowledged that the measures we are proposing are being put forward to help small, indigenous Irish industry, particularly in rural Ireland where it is badly needed. That was the motivating force behind it. I do not recall anybody at the justice committee saying this was only about tourism. It was about assisting microbreweries also.

The Minister said he would have a look at the amendment and would not divide the House if it is only an hour. The Minister is dividing the House. The whole justice committee, including members from Fine Gael, favoured a 7 p.m. finish as being practical. I will not repeat those points. We were already there so the Minister is the one who is bringing it back. The Minister is asking us not to divide the House. He is the one who is dividing the House because everybody else had already agreed at the Committee on Justice and Equality that 7 p.m. was more sensible for all the other reasons stated. In deference to the fact that the Minister has at last acknowledged that 60 minutes do not make that much difference anyway, I would expect that my amendment and that of Deputy Kelly would be agreed to on that basis.

For the record in case there was any inference, which I found a bit unacceptable, that some sort of sleight of hand procedurally was happening or that people had not checked the procedures, our offices contacted the Bills Office to make sure that what was being put forward was procedurally in order and that everything was being done appropriately. We received that seal of approval regarding the manner in which we would do our business so any claim that there is something underhand here is very unbecoming and I believe the Minister should withdraw that.

**Deputy Charles Flanagan:** I take my guidance from the Ceann Comhairle.

**Deputy Declan Breathnach:** I spoke about having this Bill passed before the early afternoon. I think we are getting into the evening. Despite the fact that I have tasted the product abroad, I assure the Minister that I have visited Cooley Distillery and have partaken of the bespoke gin. Equally, I have brought people from Kentucky, the home of bourbon, to taste the flavours of my own constituency. While I am not an expert on these things, I do believe in local tourism and supporting rural industry. I do accept that the Minister has a query regarding section 1(5) where it does mention 10 a.m. to 6 p.m. I understand where the Minister is coming from. I am sure he will find it unusual that I am supporting Deputies Clare Daly and Wallace, not to mention Deputy Kelly, but I think the Minister can sense the consensus that exists and I would expect him to do what is right. When it comes to tourism, which is what I have been speaking about, 6 p.m., particularly on a summer's evening, is not the end of the day for any

tourist who would like to visit these premises.

We seem to be comparing mass production of these products to craft and artisan producers. I do not perceive that Deputy Kelly's friends would be traipsing down and using an artisan brewery as an off-licence, which is what has been suggested. A bit like the Minister for Transport, Tourism and Sport, I think they would head for the Dutch Gold. We remember that on the Luas not too long ago. When I say that, I jest.

My final point concerns support for agriculture. This is not just about the craft brewery. It is about the production of barley. Somebody referred earlier to the food event last night which I attended and where we were provided with Irish wine. People who are using their brains are starting to look at mixing, dare I say it, parsnips and some other product into various forms of alcohol. If this is to help the renewal and continuation of rural industry and jobs, I implore the Minister to accept the spirit of glasnost, as has often been referred to, that exists in this House with regard to furthering the tourism industry and local business.

**Deputy Michael Fitzmaurice:** When one looks at where breweries are situated around the country, in many cases they are in small rural villages or townlands. It involves people who believe in something and who probably had very little money. In fairness, in some cases, the local enterprise offices help them, but in other cases, these people followed their passion, kept their belief, saw their goal and went for it. We should pursue any way we can to help them to prosper and to encourage entrepreneurship around this country every day of the week. As was rightly pointed out yesterday evening, we should talk to the companies. I spoke to a Galway oyster company that faces a problem getting certification from the Department of Agriculture, Food and the Marine to export its goods. That is the problem in this country. Someone like Larry Goodman will get it that day because they will get a vet in their place but a small operator must drive to Dublin and it could take eight or nine days. The Department of Agriculture, Food and Marine should address that. We must look at the type of barley we grow and the mixes. We could come up with something great that everyone around the world and tourists would like. That is what creates an economy, pays taxes and keeps the country going.

In respect of the comments about the Ceann Comhairle ruling matters in or out of order, he is as fair a Ceann Comhairle as we can get. It is not great to say that he is ruling things in or out of order. I do not know really what was being said. I cannot understand it but I think it should be clarified because, in fairness, it is the team behind the Ceann Comhairle that makes the decision. The Ceann Comhairle will not see every last sentence. He helps all of us as best he can in terms of getting speaking time.

**Deputy Kevin O'Keeffe:** I thank Deputy Kelly for pursuing this issue from day one. It is a welcome initiative. There are many positive things relating to rural Ireland in particular, including job creation, encouraging more tourism in rural Ireland and, it is hoped, securing grain production in many parts of this country, which is at an all-time low, especially in the area of prices. I see that one distillery in Donegal was offering premium prices for grain to get farmers back into the grain-growing business.

It is a known fact that the majority of the micro-breweries and distilleries have come from County Cork. My own backyard has the success story of the Eight Degrees Brewing Company. We should be positive in this legislation. I ask the Minister to accept it in its wholeness. I agree that opening hours should be restricted because otherwise we will have house parties moving into breweries as opposed to supporting local pubs. It is very important to keep the latter busi-

ness going as well. One will have competition as well. It is a well-thought-out initiative that should be supported wholeheartedly.

I have mentioned the Eight Degrees Brewing Company. I am on the border of the River Blackwater in the constituency of Waterford. Ballyduff is a very isolated rural village near the Blackwater in west Waterford whose boundary is almost in my constituency. Blackwater Distillery has purchased an old premises in the middle of that village, is moving its business there and hopes to go into production soon. In fairness to the Government, various agencies have given great support in the form of funding, which must be welcome. Places like this need this kind of industry to survive. We talk about town and village centres losing their identity but here is an initiative by individuals who have the heart of rural Ireland in mind and are prepared to keep their business in rural Ireland, and we need to help them. One way of helping them is allowing them to have a facility where tourists and other interested people can go on site, view and see how the product is produced, as people can do in the Jameson Distillery, in Midleton or the Guinness Storehouse in Dublin, but on a smaller scale. One of the only reasons I ever came home from abroad with more than half a dozen bottles of wine was after visiting the vineyards there. Of course, I would not own one, like Deputy Mick Wallace does. I am sure he will invite me to his vineyard one day.

**Deputy Mick Wallace:** The Deputy can come tomorrow.

**Deputy Kevin O’Keeffe:** Will he get me a visa? I commend Deputy Alan Kelly on putting forward the Bill and I ask the Government to give it wholehearted support. While we need to put regulations, licences and rules in place, the overall thrust of the Bill should be accepted.

Amendment to amendment put and declared carried.

Amendment No. 6, as amended, agreed to.

**An Ceann Comhairle:** Deputy Wallace has withdrawn amendment No. 7 so it does not fall to be considered, nor does amendment No. 8. Amendment No. 9 cannot be considered now, nor can amendment No. 10.

Amendments Nos. 7 to 10, inclusive, not moved.

**An Ceann Comhairle:** Amendments Nos. 11 and 12 are related and may be addressed together.

**Deputy Charles Flanagan:** I move amendment No. 11:

In page 4, line 20, to delete “intoxicating liquor,” and substitute “intoxicating liquor, or who permits the sale of intoxicating liquor,”.

These amendments extend the existing offence provisions in subsections (8) and (9) of section 1 to include persons who permit the sale of intoxicating liquor contrary to the conditions of the licence. This means a licenceholder will not be in a position to evade liability if he or she permits a staff member to sell intoxicating liquor in a way that may be contrary to the conditions of the licence. Again, I invite Members to accept this on the basis that it is a standard provision in legislation of this nature.

Amendment agreed to.

5 July 2018

**Deputy Charles Flanagan:** I move amendment No. 12:

In page 4, line 24, to delete “sells intoxicating liquor” and substitute “who sells intoxicating liquor, or who permits the sale of intoxicating liquor,”.

Amendment agreed to.

**Deputy Charles Flanagan:** I move amendment No. 13:

In page 4, between lines 40 and 41, to insert the following:

““guided tour”, in relation to a relevant premises, means a tour of the premises that—

(a) includes an explanation of, or information relating to, the process whereby the intoxicating liquor is manufactured on the premises in accordance with a relevant licence,

(b) is carried out in person, whether the tour is guided by another person or not, and

(c) requires a ticket to be issued to the person participating in the tour, whether a fee is paid for the ticket or not;”.

I refer back to discussions at the select committee. Arising out of those discussions, this amendment proposes to insert a definition of “guided tour” into section 1(10). I was interested to hear Deputy O’Keeffe speak about the tourism industry with particular reference to the visitor centres in his constituency, such as at Midleton, as well as the Guinness Hop Store. Of course, the central feature of visits to these centres is the guided tour. In fact, I believe the Guinness Hop Store is the No. 1 visitor centre in the country.

The central features of the definition are as follows. The tour must include an explanation of, or information on, the process whereby the intoxicating liquor is manufactured. It does not necessarily require a physical inspection of parts of the premises that might present a risk to the health or safety of individuals. Indeed, Deputy Wallace made reference to this on Committee Stage and I accept the point he makes. Deputy Kelly has made the point all along that many of the visitor centres, such as craft breweries, will be small in nature. These are small local businesses that employ a few people, using local products, and they require the support of Government. I understand there are some premises where the semblance of a guided tour may be somewhat different, perhaps more restricted, than that in Deputy O’Keeffe’s constituency. The guided tour may be led by a guide in certain circumstances or it may be self-guided. A ticket must be issued to participants on the tour, irrespective of whether there is an entrance fee. I acknowledge that in many of the smaller breweries or distilleries an entrance fee might not be charged.

Inclusion of this definition will assist licenceholders. It will clarify the essential features or requirements of a guided tour and it will introduce the measure of legal certainty that Members sought on Committee Stage.

Amendment agreed to.

**An Ceann Comhairle:** Amendment No. 15 is a physical alternative to amendment No. 14. Therefore, amendments Nos. 14 and 15 will be discussed together.

**Deputy Mick Wallace:** I move amendment No. 14:

In page 5, to delete lines 14 to 16 and substitute the following:

““relevant premises” means a premises to which a relevant licence is attached.”.

This is a technical matter. At present, the legislation states:

“relevant premises” means a premises to which-

(a) a relevant licence is attached, and

(b) persons are admitted for the purpose of a guided tour of the premises.

If we are to copper-fasten what we have already agreed here today, namely, off licence sales will be allowed without the tour, then amendment No. 15 will need to be passed.

**Deputy Charles Flanagan:** Amendment No. 14 seeks to remove the reference to the guided tour condition in the definition of “relevant premises” in section 1. I am not inclined to accept the amendment.

Amendment put:

| <i>The Dáil divided: Tá, 58; Níl, 44; Staon, 0.</i> |                                    |              |
|---|------------------------------------|--------------|
| <i>Tá</i>   | <i>Níl</i>                         | <i>Staon</i> |
| <i>Aylward, Bobby.</i>                              | <i>Bailey, Maria.</i>              |              |
| <i>Brady, John.</i>                                 | <i>Breen, Pat.</i>                 |              |
| <i>Breathnach, Declan.</i>                          | <i>Brophy, Colm.</i>               |              |
| <i>Broughan, Thomas P.</i>                          | <i>Bruton, Richard.</i>            |              |
| <i>Burton, Joan.</i>                                | <i>Burke, Peter.</i>               |              |
| <i>Butler, Mary.</i>                                | <i>Byrne, Catherine.</i>           |              |
| <i>Cahill, Jackie.</i>                              | <i>Canney, Seán.</i>               |              |
| <i>Calleary, Dara.</i>                              | <i>Cannon, Ciarán.</i>             |              |
| <i>Casey, Pat.</i>                                  | <i>Carey, Joe.</i>                 |              |
| <i>Cassells, Shane.</i>                             | <i>Corcoran Kennedy, Marcella.</i> |              |
| <i>Chambers, Lisa.</i>                              | <i>Coveney, Simon.</i>             |              |
| <i>Collins, Joan.</i>                               | <i>D'Arcy, Michael.</i>            |              |
| <i>Collins, Michael.</i>                            | <i>Daly, Jim.</i>                  |              |
| <i>Cowen, Barry.</i>                                | <i>Deasy, John.</i>                |              |
| <i>Cullinane, David.</i>                            | <i>Deering, Pat.</i>               |              |
| <i>Curran, John.</i>                                | <i>Doherty, Regina.</i>            |              |
| <i>Daly, Clare.</i>                                 | <i>Doyle, Andrew.</i>              |              |
| <i>Donnelly, Stephen S.</i>                         | <i>Durkan, Bernard J.</i>          |              |
| <i>Ellis, Dessie.</i>                               | <i>English, Damien.</i>            |              |
| <i>Ferris, Martin.</i>                              | <i>Farrell, Alan.</i>              |              |
| <i>Fitzmaurice, Michael.</i>                        | <i>Flanagan, Charles.</i>          |              |
| <i>Grealish, Noel.</i>                              | <i>Griffin, Brendan.</i>           |              |
| <i>Harty, Michael.</i>                              | <i>Harris, Simon.</i>              |              |
| <i>Healy-Rae, Danny.</i>                            | <i>Heydon, Martin.</i>             |              |

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|                                   |                              |  |
|-----------------------------------|------------------------------|--|
| <i>Healy, Seamus.</i>             | <i>Humphreys, Heather.</i>   |  |
| <i>Kelleher, Billy.</i>           | <i>Kehoe, Paul.</i>          |  |
| <i>Kelly, Alan.</i>               | <i>Kyne, Seán.</i>           |  |
| <i>Kenny, Martin.</i>             | <i>Madigan, Josepha.</i>     |  |
| <i>Lahart, John.</i>              | <i>McGrath, Finian.</i>      |  |
| <i>Lawless, James.</i>            | <i>McHugh, Joe.</i>          |  |
| <i>Martin, Catherine.</i>         | <i>Moran, Kevin Boxer.</i>   |  |
| <i>McGrath, Mattie.</i>           | <i>Murphy, Eoghan.</i>       |  |
| <i>McGrath, Michael.</i>          | <i>Murphy, Paul.</i>         |  |
| <i>McGuinness, John.</i>          | <i>Naughton, Hildegarde.</i> |  |
| <i>Mitchell, Denise.</i>          | <i>Neville, Tom.</i>         |  |
| <i>Moynihan, Aindrias.</i>        | <i>O'Connell, Kate.</i>      |  |
| <i>Moynihan, Michael.</i>         | <i>O'Donovan, Patrick.</i>   |  |
| <i>Munster, Imelda.</i>           | <i>O'Dowd, Fergus.</i>       |  |
| <i>Murphy O'Mahony, Margaret.</i> | <i>Phelan, John Paul.</i>    |  |
| <i>Murphy, Eugene.</i>            | <i>Ring, Michael.</i>        |  |
| <i>O'Brien, Darragh.</i>          | <i>Rock, Noel.</i>           |  |
| <i>O'Keeffe, Kevin.</i>           | <i>Ross, Shane.</i>          |  |
| <i>O'Loughlin, Fiona.</i>         | <i>Smith, Bríd.</i>          |  |
| <i>O'Rourke, Frank.</i>           | <i>Stanton, David.</i>       |  |
| <i>O'Sullivan, Jan.</i>           |                              |  |
| <i>O'Sullivan, Maureen.</i>       |                              |  |
| <i>Ó Broin, Eoin.</i>             |                              |  |
| <i>Ó Caoláin, Caoimhghín.</i>     |                              |  |
| <i>Ó Laoghaire, Donnchadh.</i>    |                              |  |
| <i>Ó Snodaigh, Aengus.</i>        |                              |  |
| <i>Penrose, Willie.</i>           |                              |  |
| <i>Quinlivan, Maurice.</i>        |                              |  |
| <i>Scanlon, Eamon.</i>            |                              |  |
| <i>Smith, Brendan.</i>            |                              |  |
| <i>Smyth, Niamh.</i>              |                              |  |
| <i>Stanley, Brian.</i>            |                              |  |
| <i>Tóibín, Peadar.</i>            |                              |  |
| <i>Wallace, Mick.</i>             |                              |  |

Tellers: Tá, Deputies Mick Wallace and Clare Daly; Níl, Deputies Joe McHugh and Joe Carey.

Amendment declared carried.

**An Ceann Comhairle:** That means that the final amendment in the name of the Minister cannot now be moved.

Amendment No. 15 not moved.

Bill, as amended, received for final consideration and passed.

### **Home Building Finance Ireland Bill 2018: Order for Second Stage**

Bill entitled an Act to provide for the formation of a company to be known as Home Building Finance Ireland; to provide for the making available of financing by the company for residential development in the State; and to provide for related matters.

**Minister of State at the Department of Finance (Deputy Michael D'Arcy):** I move: "That Second Stage be taken now."

Question put and agreed to.

### **Home Building Finance Ireland Bill 2018: Second Stage**

**Minister of State at the Department of Finance (Deputy Michael D'Arcy):** I move: "That the Bill be now read a Second Time."

I am pleased to present to the House the Home Building Finance Ireland Bill 2018. It is a significant Bill which provides for the establishment of Home Building Finance Ireland, HBFI, which will give a much needed boost to the availability of finance for residential development in the State. HBFI is being proposed in the context of a major shortfall in the supply of housing in recent years. The CSO recently estimated that just under 15,000 housing units were delivered in 2017. While residential building has increased significantly in recent years, it continues to fall well short of estimated annual demand of between 30,000 and 35,000 units. The availability of appropriate development finance for commercially viable residential projects has been identified as a key contributory factor in the ongoing shortfall in residential supply. The introduction of HBFI will provide for a crucial boost to the availability of this important source of finance.

While the appetite to provide residential development funding among banks and alternative lenders has been increasing in recent years, it continues to fall well short of that needed to address the scale of the shortfall which has been identified. In the absence of this key policy response by the Government, there is a concern that these constraints could limit the market's capacity to respond to current and projected housing demand, particularly bearing in mind projected growth in the population and the positive outlook for the economy in the coming years.

Development activity continues to be impacted on by the legacy of the financial crisis. While traditional banks are returning to providing senior debt finance for residential development, the number of active lenders in Ireland has reduced from 12 a decade ago to three today. It is clear that the risk appetite among the remaining banks in funding residential development is more conservative and significantly reduced from the unsustainable and reckless levels seen in the period leading up to 2008. Outstanding loans to land and development exposures totalled

€64 billion in 2008 across the six main retail banks and building societies. This comprised 15% of their total lending. By the middle of last year this figure had reduced to just €2 billion or 1% of their total lending. While this refocusing by the main banks is entirely reasonable and appropriate, not least from a financial stability perspective, it poses significant challenges to developers seeking to fund viable residential developments but not possessing the levels of equity now required by the banks. This trend suggests Ireland's future house building finance needs are more likely to be met by vehicles with a greater reliance on equity investment than previously. Other alternative lenders have entered the Irish market to satisfy some of the excess demand. It is estimated that the scale of provision by both the banks and these lenders continues to be well below that required to fund the estimated 15,000 to 20,000 annual shortfall.

Let me be clear. HBFI will not take on excessive risk for the State. Its introduction will not see a return to 100% lending or anything like it. Developers must still provide significant levels of equity or raise third party equity in the market to access HBFI funds. It is envisaged that a large proportion of HBFI lending will be to development projects with insufficient equity to raise finance from banks or projects that are unable to source funding from the relatively limited pool of alternative lenders in the market at this time. Currently, bank lending to residential projects in Ireland typically requires levels of equity finance of 35% to 50%. HBFI is expected to provide finance for viable projects where developers are in a position to put up equity of 20% or more for projects, thereby bridging the gap in bank finance and increasing the pool of finance available from other lenders. The State's investment will be protected by this layer of equity and through detailed viability testing by HBFI's experienced lending officers.

The problem of a shortage of access to supply of appropriate finance has been particularly acute for small development projects and those located outside the major urban areas. HBFI will be established to address these concerns and will focus on reducing this shortfall by focusing on those areas of the market that are currently underserved by the banks and alternative finance providers. Thanks to the considerable efforts undertaken by the National Asset Management Agency, NAMA, in delivering more than 7,200 units of residential housing in recent years and its commitment to facilitate the delivery of some 20,000 units by the end of 2020, the State now has market-leading expertise and experience in providing this form of development finance on a commercial basis.

While HBFI will be a wholly independent entity from NAMA, it will utilise NAMA's experience in developing its business model in preparation for its launch later this year. NAMA staff have already been involved in assessing development funding proposals for sites throughout the country and will have accumulated a high degree of knowledge concerning relevant planning, legal and financial issues affecting residential development. It is expected that some staff will transfer from NAMA and this will be of great benefit to HBFI to allow it to be up and running in as short a timeframe as possible. Depending on how soon HBFI can be established, it could commence lending later this year. The NAMA residential funding teams have also developed or customised credit approval processes and information technology systems to be scaleable and adaptable to business requirements. These processes and systems are likely to be adapted by HBFI to meet its business needs. NAMA's systems and processes are tried and tested and will be familiar to the Comptroller and Auditor General who will also audit HBFI's activities.

HBFI will be established as a private company under the Companies Act 2014, with the shares held by the Minister for Finance. It will have an independent board appointed by the Minister, which will have all the powers necessary to conduct its business. The constitution

of HBFi will be also be approved by the Minister. HBFi will be funded through the provision of debt and equity funding of up to €750 million that will be made available from the Ireland Strategic Investment Fund, ISIF. The redirection of this funding to HBFi from ISIF is a continuance of the refocusing of that entity towards projects of national strategic importance.

On establishment of HBFi, a small equity investment of €20 million is expected to be provided allowing the entity to commence operations and to cover its costs during its start-up phase. Funding for lending purposes will be provided by way of a repayable loan from ISIF to HBFi on commercial terms. The exact timing and scale of the funding provided will be determined by the HBFi board in due course and will depend on market demand. The returns expected to accrue to the State from the funding of HBFi will be commensurate with the commercial returns for loans to entities with similar risk profiles. With this allocation it is expected that HBFi will have the capacity to fund the supply of more than 6,000 additional homes in the coming years. This supply will make a meaningful impact in addressing the supply shortfall that currently exists. HBFi will provide lending to viable residential developments on commercial, market equivalent terms and conditions. It is important to recognise that HBFi will not provide low-cost or subsidised funding to developers or the construction industry. HBFi will charge commercial rates for its lending and establishing HBFi in this manner will ensure it is compliant with state aid rules and provides an appropriate level of return to the State for the risk it is taking on.

A unique feature of HBFi will be its ability to fund smaller developments or those outside the major urban centres. These projects are currently underserved by the market where there is a clear preference for larger sites and those within the greater Dublin area. It is expected that HBFi will provide funding for projects with a minimum capacity of only ten units, equating to a loan facility of circa €2 million. Projects will be expected to have full planning permission and the sponsors to be fully tax compliant. HBFi will ensure its total exposure to any one borrower does not exceed 5% of its total lending, ensuring that the lending can be spread across as many developments as possible.

The specific interest rates charged by HBFi will be bespoke and will reflect the credit risk of each particular development project, the quality of collateral, the creditworthiness of the borrower and the track record of the borrower in delivery of residential development projects to date. To ensure compliance with state aid rules, the lending terms and conditions will also be benchmarked to the market. Recognising that the funding of residential development is clearly undergoing a temporary dislocation, I have included in the Bill a formal review clause that will commence in 2020, and subsequently every two years, under which the Minister will assess the extent to which HBFi has made progress towards achieving its overall objectives and the impact HBFi is having on residential development funding in the State. This review will help to minimise any distortionary effect HBFi may have on the overall economy. The continuation of HBFi will, therefore, be regularly monitored, with a view to the entity exiting the market in due course when sufficient supply of funding returns.

I will now turn to the main provisions. The Bill has six Parts. Part 1, containing sections 1 to 3, inclusive, sets out the preliminary and general provisions. Section 1 provides for the Short Title and allows the Minister for Finance to commence the Bill or particular parts of it at different dates. Section 2 is a standard provision providing definitions for certain words and terms used in the Bill. Section 3 provides that expenses incurred by the Minister in the administration of the Act will be sanctioned by the Minister for Public Expenditure and Reform and paid out of the moneys provided by the Oireachtas. Essentially, this covers the expenses of the Depart-

ment of Finance in working to establish HBFI rather than the operating costs of HBFI. Costs directly attributable to HBFI will be the liabilities of HBFI and not the Minister or Department of Finance. This section also provides for the expenses incurred by the National Treasury Management Agency, NTMA, in the performance of its functions under the Bill, which will be charged and paid out of the Central Fund. All expenses incurred by the NTMA will be recouped from HBFI once it is up and running.

Part 2, containing sections 4 to 9, inclusive, provides for the establishment of Home Building Finance Ireland, HBFI. It provides for the formation of both HBFI and any group entities it requires. It also sets out the functions of HBFI which will be to lend on commercial terms for residential development in a manner that aims to contribute to the economic and social development of the State and enhance the competitiveness of the economy. This Part also outlines the composition of the HBFI board and HBFI's relationship with the NTMA and NAMA.

Section 4 enables the formation of a private company under the Companies Act 2014 called Home Building Finance Ireland, HBFI. HBFI will be independent in carrying out its functions under this Act. Section 5 provides that the constitution of HBFI will be consistent with provisions of the legislation. It establishes that no alterations to the documents will be valid without the prior approval of the Minister. Section 6 provides for HBFI to be able to form, promote or take shareholding in various types of subsidiaries such as companies or joint ventures and also sets out the terms on which this can be done. These will be known collectively as HBFI group entities. HBFI is not permitted to guarantee the borrowings or liabilities of any of its subsidiaries without the approval of the Minister.

Section 7 sets out the functions of HBFI. The main function is to lend money for the purposes of funding residential development in the State on commercial terms. In providing this funding HBFI must take into account the risk profile of the project concerned and the market in which HBFI operates. In providing funding, HBFI is also expected to aim to contribute to the economic and social development of the State and enhance the competitiveness of the economy.

Section 8 provides for HBFI to have a board of at least three and not more than seven persons, including its chairperson. The Minister may appoint a chairperson from within the board. The terms and conditions of board appointments will be set out in the HBFI constitution.

Section 9 provides for HBFI's relationship with the NTMA. It sets out that the NTMA will provide HBFI and all of its subsidiaries with business and support services and systems that are considered necessary for HBFI to perform its functions. When assessing resources, it requires the NTMA to review resources that are already being provided to NAMA and allows for the reassignment of those resources, where appropriate, subject to the approval of the chief executive officer, CEO, and board of NAMA. The section also provides for the NTMA to assign staff to HBFI to enable it to perform its functions under the Bill. Again, where staff meeting HBFI requirements are identified in NAMA, this section allows those staff to be reassigned to HBFI, subject to the approval of the CEO and board of NAMA. The NTMA will be reimbursed by HBFI for the costs incurred under this section.

Part 3 of the Bill sets out the funding arrangements for HBFI. Section 10 provides for the determination of the authorised share capital of HBFI by the Minister for Finance and the initial issue of shares in the new company to the Minister. It provides that HBFI will issue shares to the value of €20 million to the Minister on incorporation. This €20 million of equity capital will come from the ISIF.

Section 11 provides that the Minister can dispose of shares in HBFI to a limited number of counterparties which include the NTMA, the Minister for Housing, Planning and Local Government or a body under the aegis of that Minister. It is not intended that the Minister for Finance will sell or transfer shares to the parties listed; however, flexibility to do so has been included. Funds received in respect of the sale or redemption of shares must be paid into the Exchequer.

Section 12 allows for the HBFI board to decide what dividends are to be paid to the Minister. It also provides that moneys received by the Minister in respect of his share in the company, including dividends, shall be paid into the Exchequer in such a manner as he directs.

Section 13 provides that HBFI may borrow money in any currency and through any type of debt it sees as appropriate. The section limits the amount of borrowings which HBFI can have outstanding at any particular time to €750 million. This borrowing would be in addition to the funding provided for HBFI through the ISIF. HBFI will be responsible for meeting liabilities incurred under the section and they will not be guaranteed by the State. If HBFI were to borrow in a foreign currency, the value of the borrowings in other currencies would be valued using the European Central Bank's published exchange rates.

Part 4 of the Bill sets out the procedures for the preparation of financial statements and ensuring the public accountability of HBFI. Section 14 provides that a reference to a HBFI group entity in section 15 or section 16 is a reference to a HBFI group entity which is a company formed under the Companies Act or an existing company under the Companies Act.

Section 15 provides that HBFI must submit its accounts to the Comptroller and Auditor General for audit within two months of the financial year to which they relate. The audited consolidated accounts will also be presented to the Minister and laid before each House of the Oireachtas. For the avoidance of doubt, the section also provides that a reference to "statutory auditor" or "statutory financial statements" in the Companies Act shall include a reference to the Comptroller and Auditor General for HBFI. The section also provides that Chapters 18, 20 and 21 of the Companies Act which relate to the appointment of statutory auditors will not apply to the Comptroller and Auditor General for the purposes of HBFI.

Section 16 provides that in the event that it becomes necessary for HBFI to appoint a statutory auditor, it may do so and that the Comptroller and Auditor General will continue to perform the audit functions set out in section 15 in that scenario.

Section 17 provides that a senior member of staff of HBFI nominated by its chairperson will, whenever required by the Committee of Public Accounts, give evidence to that committee on the accounts and reports of the Comptroller and Auditor General on HBFI.

Part 5 of the Bill sets out consequential amendments to two Acts, namely, the Taxes Consolidation Act 1997 and the National Treasury Management Agency (Amendment) Act 2014. Section 18 provides for an exemption in relation to inbound and outbound withholding taxes. This form of exemption is standard for State owned entities and will allow HBFI to operate in line with other market operators.

Section 19 provides for the Minister to give directions to the ISIF, with which the fund must comply. The section, essentially, provides the Minister with the power to direct the ISIF to provide credit for the HBFI on commercial terms and to provide equity funding for HBFI to fund the subscription of the Minister's shares in the company. The amendment limits the total funding to €750 million.

Part 6 of the Bill sets out a number of miscellaneous provisions. Section 20 provides that the Minister, the NTMA and its employees and staff are not to be considered either shadow directors under section 27(1) of the Companies Act 1990 or *de facto* directors of HBFI. This ensures the Minister and the NTMA can carry out their various other functions without their involvement with HBFI impacting on these functions.

Section 21 provides that, except as otherwise authorised by the section or another enactment, a person will not disclose or use confidential information obtained in the manner set out in the section. The section permits appropriate disclosure to law enforcement authorities and, where authorised to HBFI, a HBFI group entity, the NTMA or NAMA or authorised or obliged by law. Breach of the obligations under the section may constitute a criminal offence.

Section 22 provides for the issuance of written directions to HBFI that are consistent with the functions of the Bill. HBFI is obliged to comply with directions under the Bill. Such directions will be published and laid before each House of the Oireachtas.

Section 23 ensures HBFI will only continue in existence for as long as may be required. The section provides that the Minister may at any time require HBFI to report to him on the performance of its functions and that, as soon as possible after 31 December 2020 and subsequently every two years, the Minister will assess the extent to which HBFI has performed its functions and the level of availability of residential funding in the market. This process will require a public consultation and ultimately decide whether continuation of HBFI continues to be necessary.

Section 24 provides that, subject to certain exceptions, a person who communicates with HBFI or a HBFI group entity with the intention of influencing the making of a decision on the performance of the functions of HBFI or the HBFI group entity commits an offence. A number of exceptions are allowed for where the person making the communication is an employee or an adviser to a client of HBFI or where the communications are published.

Section 25 provides that certain provisions of the Companies Act will not apply to HBFI. These provisions ensure the Minister's relationship with HBFI does not prevent him or her from carrying out any other of his or her functions and avoids redundant reporting requirements in the administration of HBFI.

Addressing the shortfall in the supply of housing requires a broad cross-government response and requires a strategy to make best use of the resources available to the State. While the establishment of HBFI will not solve the problem singlehandedly, it will play an important part in the overall strategy to increase the supply of new housing. Together with the comprehensive set of actions laid out in Rebuilding Ireland, HBFI will provide further impetus to increase the level of home building across the country. I commend the Bill to the House.

**Deputy Michael McGrath:** I need to start my contribution on Second Stage of the Bill by criticising the delay in bringing it forward. It was announced on budget day last October. It was one of the main elements of a set of measures the Government heralded to tackle the housing crisis. It rightly identified the lack of finance for the construction sector as a key issue, but nine months later we are only commencing Second Stage of the Bill. The Minister of State said in his opening remarks that funding might start to come through before the end of the year. That underlines the lack of urgency in dealing with the housing crisis overall. This is only one strand of the measures to be introduced, but it is an important one because homes cannot be

built without funding.

The Bill and what it provides for are quite modest in the context of the overall scale of the problem and the crisis we are facing. I will not spend my time talking about all of the other new things we need to be doing in the direct delivery of social housing, which is obvious and a must, and the need for a State-backed affordable housing scheme and a meaningful cost rental scheme - I know that there is a pilot scheme under way - but the private sector has to be supported. We have to ramp up capacity in that sector to deliver homes.

The Bill provides for a figure of €750 million which the Government estimates will support the construction of approximately 6,000 homes over a three-year period, or about 2,000 per annum. Fewer than 15,000 houses were built last year, probably 20,000 to 25,000 fewer than we needed. The fund will provide funding to approximately 10% of that shortfall. That shows that it is a modest initiative but a welcome one. We will support this initiative and engage constructively on Committee Stage by raising questions and bringing forward amendments, as appropriate. To resolve the issue of private housing supply, it is necessary to align viability with affordability. For it to be viable for a construction project to proceed, the ultimate price that must be charged to the consumer is simply unaffordable. Not enough work is being done to align viability with affordability. Private building firms must have a profit margin and one in the region of 15% is often quoted as the norm. The 2016 report of the Society of Chartered Surveyors Ireland is helpfully provided in the Oireachtas Library and Research Service's note on this Bill. In its report it analyses construction and delivery cost data from the overall cost to build a new home, including completing roads and drains, as being €150,000. However, once costs other than construction are factored in, such as professional fees, valued added tax, VAT, land and acquisition and a margin, the cost of delivering a three-bedroom semi-detached home in Dublin increases to over €330,000. We have a high-cost housing environment. That is attributable to all the different input costs. Not a whole lot can be done about many of them. Finance is certainly one element where the State has a role to play.

The banks have had to change their business model. The type of unsustainable lending they were providing to the construction sector, which the Minister of State, I and others studied over the course of the banking inquiry, could not continue. They are providing, as the Minister of State rightly said, perhaps a maximum of 60% to 65% of the funding for development. As not many building firms have the equity, they have to bridge that gap with very high cost finance from international funds of the order of 10%, 12%, 14% and even higher. That is a crazy price to pay in the current market for money. The current environment is one of effectively zero interest rates. High funding costs feed directly into high property prices being charged to the consumer. It is a vital ingredient and it is an issue which must be resolved in the overall context because that type of high cost funding cannot continue. It makes it even more difficult to align viability with affordability.

What the banks are providing is modest. The Bank of Ireland appeared before the joint Committee on Finance, Public Expenditure and Reform, and Taoiseach this morning. The fund it is providing for its development book is approximately €1 billion. In the context of what needs to be done, there is still a very sizeable gap in the amount of money that will have to be provided. AIB has provided a fund also but, overall, it is quite modest.

Funding of €750 million will be provided by this company on commercial terms. If we spread that across 6,000 units, it works out that €125,000 that will be provided in finance per unit. There will have to be proper underwriting. We need to have checks and balances and

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good safeguards in place. The Minister of State said this will be done on commercial terms. That is a requirement because if we do not want to flout state aid rules, we want this to remain off balance sheet. The funding will be sourced from the Ireland Strategic Investment Fund. This will be a private company that will be incorporated, therefore, commercial terms need to be charged but they also need to be competitive commercial terms.

When Activate Capital started providing funding to the construction sector, initially the rates were of the order of 14%. It reduced that to within the range of 6% to 10% on a bespoke basis project by project. The Minister of State said that while he has not cited any interest rate that will be applicable to these loans, it will be done on a bespoke case by case basis, but it needs to be competitive if it is to play a meaningful role in meeting the funding gap that exists.

We have spoken a number of times about the issue of serviced land being made available. I am not sure if the funding from this company can contribute towards site acquisition costs. The Minister of State might clarify if that is the case.

**Deputy Michael D'Arcy:** No.

**Deputy Michael McGrath:** The Minister has said it cannot. Therefore, the finding is only for the construction. Those who bring forward schemes will still have to find 100% of the acquisition costs elsewhere.

Stage payments were abolished some years ago. That has been to the benefit of the consumers but it has created funding difficulties for those who are developing schemes because they do not get any money from the purchaser until the end of the process when the house or the apartment is being sold on. They are carrying very substantial development costs. It is not popular to say that, but that is the reality. If the sums do not add up, these scheme will not happen. That is part of the reason supply is lagging so far behind demand and that is likely to continue to be the case at least for another few years. I acknowledge that there was a significant increase in supply last year but it was from a very low base, a much lower base than we even envisaged.

It is good we now have accurate, hard Central Statistics Office data on home completions. The ESB connection measure was long discredited but was still being used as the official measure of home completions in Ireland. At least we have accurate data now but it underlines the scale of the problem where we have to get from 14,000 or 15,000 units to perhaps 30,000 to 35,000 units. Activity is being scaled up but there much more activity in the commercial construction sector in office and student accommodation developments than in residential developments. That is still a significant issue.

We will not see major changes by the Central Bank in its macro-prudential rules. I acknowledged that the Comptroller and Auditor General will be the auditor here. In effect, there will be accountability through the Committee of Public Accounts. It is important that those running this new company will come before the Committee of Public Accounts, be held accountable and answer questions on the operation of this fund.

Overall, we welcome this initiative. It took far too long to get to this point. We will engage in a positive fashion to seek to improve this. It needs to be kept under review. There is no getting away from the simple fact that finance is a vital ingredient in delivering homes. There is no point talking about a housing crisis in this House and decrying the private construction sector if we are not prepared to do something in a responsible way to assist in the delivery of the homes our people need throughout this country. We look forward to Committee Stage, which I

presume will be in the autumn.

**Deputy Michael Moynihan:** I welcome the opportunity to contribute to the debate on this Bill. It was announced in the budget last October and we are only on Second Stage now heading into the last week or so of this Dáil session. Even with everything going right it is unlikely it will have completed Committee, Report and Final Stages in the Dáil by the time of the anniversary of the budget. That speaks volumes in that while we welcome the initiative to help address the current crisis, we need only reflect on the length of time it has taken to bring this Bill to the floor of the Dáil and the time it will take before it is passed. This Bill should be a priority. We have announcements made with great fanfare every week on how we will tackle the housing crisis. This was one of the announcements made to great fanfare and, nine months later, we are still looking at the Bill going through the Houses of the Oireachtas.

The cynic in me would say three initiatives were announced. An initiative was announced in the budget on the fair deal scheme for self-employed people. That has not seen the light of day. It was to come into effect in early January 2018. Changes were proposed on the consolidation of farmland. Deputy Michael McGrath sought changes to what was announced in the budget and that will now come into effect on 1 August. It has taken a long time for major decisions that have been made to be seen. This Bill is reflective of that.

I have read the various analyses of this Bill. A series of initiatives are needed to provide the amount of housing needed for our people in the next decade. We have to go back and examine the social housing aspect of it and the success of that, not only in providing housing units but the social integration of people also. There is reference to housing units in all the data produced but a holistic approach must be taken to that. I have seen reports today that say housing stock or houses should not be sold off from the housing estates that were built in the 1930s, 1940s and 1950s. People brought ownership to those housing estates and they eventually aspired to buying the houses. Those people contributed enormously to that society and we cannot ghettoise people.

I am encouraged by one element of the Minister of State's speech, which is the unique feature to fund smaller developments outside of the main urban centres. This is fundamental to how we approach the housing crisis. My colleague, Deputy Michael McGrath, gave the current figures for building a three bedroom semi-detached house in Dublin. It is beyond the reach of even the higher than average earning families to buy and own a house at those prices and to tie themselves to 30, 35 or 40 years of commitment to that debt.

If the Minister of State's suggestion for small developments outside of major centres is a serious part of the legislation, if it is to be seen right through the legislation and encouraged after the legislation is enacted, and if the €750 million is put out there, then we have to ensure the development is right across the regions. For far too long we have seen the amount of people who are building on the east coast and in large urban centres. There is a whole series of initiatives and issues that needs to be dealt with in this regard. All of the announcements and fanfare - I have looked at a fair few of them over the past 12 or 18 months - have been for huge urban centres. This piles more people and pressure onto urban Ireland and leaves the rural communities dying on their feet. It has to be accepted that this is happening. Fundamentally people are saying that this is not the case but the Opposition parties consistently raise issues around rural communities and isolated communities in the context of Ireland powering ahead. Right across the regions small rural schools are struggling to maintain teachers and their communities. In the teeth of the housing crisis there has been the huge need for the various schemes and initiatives

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and I hope the other announcements that were made do not take so long to come to fruition.

Parts of Dublin and Limerick had huge housing crises in the 1950s and 1960s. Houses were built without any communities and without any integration. Society is continuing to pay an enormous price for that planning. We must make sure that whatever is done is sustainable, realistic and irrefragable.

The Bill states that the money cannot be used for land. This will constrain a lot of people from getting into the construction industry and from encouraging more people to access and use the fund. Although banks and others are putting money in, it is still not enough to tackle the crisis or the shortfall. Land cost, especially in urban centres and in Dublin and Cork, is a huge element in the cost of a unit. This must be looked at seriously if costs are to be tackled to ensure we have affordable houses.

The figure of €750 million is to be put out there. This Bill took nine months to get to Second Stage in the Dáil. There is a whole series of checks and balances as a Bill goes through the Houses of the Oireachtas. There Committee, Report and Final Stages, then back to the Seanad and perhaps back to this Chamber for further amendments. The Minister of State, Deputy D'Arcy, has said that money could be flowing through this initiative right through the latter part of this year. This is simply not practical. The initiative might be introduced but before people start to engage it needs to be properly set up and so on. I do not think it is realistic. If it was the case that the Bill had been brought in three or four weeks ago in June, and if there was an urgency about it to make sure it had gone through all Stages prior to the summer then the State may have been able to work through the initiative. I do not, however, believe that it is practical or possible to have any sense of using this to try to tackle the housing crisis before 2019, at the earliest.

The Bill provides for full accountability by the machinery of the Houses of the Oireachtas and the machinery of the State, and this is as it should be. It is vitally important, whatever legislation we pass, and especially in this regard. This generation of politicians will be judged on how we tackle the housing crisis and whether or not the response was properly planned and detailed to ensure a coherent solution for the housing units, for the people and families who will live in these units and for the setting up of a proper society. It is important that the machinery of the State is able to access it and that the citizen is assured the initiative and the money that will be put through it is put to good use to make sure every cent is properly used for affordable housing for the citizens of our State.

I thank the Minister of State for the opportunity, but a little urgency is needed on this and a whole raft of issues.

**Deputy Eoin Ó Broin:** Increasingly our debates in the Chamber on housing are becoming acrimonious. It is because the gap is growing ever wider between the Government's delivery in meeting housing needs and the rhetoric of Rebuilding Ireland.

When Home Building Finance Ireland was announced in last year's budget I was taken by the idea that if done right it has the potential to be a positive contribution towards tackling our affordable housing crisis. Crucially, if it was to be done right it would require a number of changes and modifications to the proposal as it is currently outlined. The logic of the Bill is the crisis in affordable housing. The Minister of State, Deputy D'Arcy, and the other speakers are absolutely right - the lack of affordable homes is a real problem. A growing number of people,

called the “locked out generation”, are struggling with and finding it impossible to cope with excessively high rents and the requirement to save for very large deposits. They are unable to secure appropriate levels of mortgages, even from the Rebuilding Ireland home loan scheme, on the basis of the most recent figures. In some cases they are forced to live back with their parents for extended periods of time to meet those saving requirements. I think that everybody agrees this is a growing problem that needs State intervention. It is important to say that in the past two years not a single affordable home has been delivered as a result of any direct Government scheme. This is a fact. The only affordable houses to have been delivered are in Ballymun and Poppintree. They were built as a result of a community initiative with Dublin City Council, without the active support or intervention of Government.

Deputy Michael McGrath is absolutely right. This fund was announced almost one year ago. By the time the legislation is passed, and before it starts to do any lending, we will probably have passed budget 2019 with the problem still remaining. We were also told that the Local Infrastructure Housing Activation Fund, LIHAF, was about increasing the supply and delivering affordability but it is only now being drawn down. It is not delivering any level of affordability, particularly in the large urban areas of Dublin and Cork. The very small amount of money that was announced in last year’s budget, €25 million, to assist local authorities to deliver Ó Cualann-type projects such as the one in Ballymun has not only not been spent but the scheme surrounding it has not been decided or agreed. While the Minister has decided to roll it into an announcement for next year, when it will be €75 million, we are still none the wiser as to how it could be spent. According to the Minister for Housing, Planning and Local Government, Deputy Eoghan Murphy, we are to expect some developments in this regard in the next week or two. The most disappointing aspect is that there is still no core, affordable housing scheme in place for local authorities to try to develop housing into the future.

I put it to the Minister of State that the mantra of increased supply delivering affordability is not the case. Supply is absolutely crucial and we need to increase it. There are many examples, however, from here and from other jurisdictions, from during the current housing crisis and from our own experience during the Celtic tiger, that there can be dramatic increases in prices alongside dramatic increases in supply. Therefore, if we are serious about tackling the affordability crisis and are to use taxpayers’ money to do so, we must increase supply in a way that delivers genuine affordability. As proposed, the Bill is not clear on how it will do that. If the Minister is willing to work with the Opposition, we can find solutions.

It is important to understand what affects house prices. Providing more bricks and mortar does not do it in and of itself, as house prices are also a function of the supply and price of credit to builders and buyers and the supply and price of land. The important debate in the House yesterday on Deputy Wallace’s Bill allowed us to consider this part of the housing crisis. When listening to the Ministers, Deputies Eoghan Murphy and Donohoe, I often get the sense that the Government fails to understand this. Until it grasps what drives house prices in the private market, it will not be able to design adequate policy interventions that ensure supply is increased in a way that provides genuinely affordable units.

The narrow focus on incentivising private sector supply is not only expensive to the taxpayer, but is proving counterproductive. For example, perhaps 60% or more of the households accessing the help-to-buy scheme do not need it and are buying homes far beyond affordability. In fact, they should not be getting any taxpayer support. The scheme could be beneficial were it properly targeted, but there is evidence to suggest it is leading to house price inflation. There is €200 million of taxpayers’ money in the LIHAF, with a further €50 million to be provided, but

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it is not delivering affordability. Fast-tracked planning and reduced apartment standards and sizes do not increase supply and, in many cases, drive up prices. The House has often debated the exceptionally generous tax breaks for real estate investment funds, Irish collective asset management vehicles, ICAVs, and so on with little evidence of them being of any benefit in resolving the housing crisis. Indeed, there is much evidence to the contrary.

While the Minister of State is right about a section of the building industry having difficulty getting finance, it is not as if it is not awash with international investment in Irish property. We have seen that in the large amounts of capital entering the State to buy distressed assets from the portfolios of IBRC and NAMA in the commercial sector and increasingly in the residential sector, especially student accommodation. That capital is entering the State on profitable terms.

I accept that there are difficulties for a cohort of builders, particularly small and medium-sized indigenous builders who are trying to enter the market for small to medium-sized developments. Under certain terms and conditions, the idea of a State-funded lending facility could be beneficial for those builders. I use the word “builders” deliberately because builders, not developers or land speculators, should benefit from access to this finance.

I will outline the conditions that need to apply for any such lending facility to work. It should only be available to those builders who need it. Even if the fund charges a commercial return, it would not be tolerable for the €750 million of taxpayers’ money to go to developers who do not need it and can already access mezzanine or standard bank financing. One of my main criticisms of the LIHAF is that a large number of its recipients do not need a single cent of it. The likes of Hines and Cairn Homes could easily access funds for those pieces of infrastructure without having to rely on taxpayers’ money. There must be mechanisms to ensure that those who are accessing it need it and would otherwise not be able to build homes.

More importantly, there must be a strict link between access to financing and the delivery of genuinely affordable homes. This is the crucial element of our intervention. In Dublin, this means homes for sale to working families priced at between €170,000 and €260,000. These people are earning modest incomes of between €45,000 and €75,000. They must be the target. They are being squeezed by the crisis in the private housing market. If the loan facility assists in developing affordable homes for them, it is worthy of taxpayers’ money. I urge the Minister to engage with us prior to and during Committee Stage on determining whether there are ways of doing this that are consistent within the rules and obligations.

Deputy Michael McGrath is right, in that the 2016 report of the Society of Chartered Surveyors Ireland and its follow-up 2017 report on the viability gap for apartments tell us something important. The €330,000 figure that the Deputy cited was not the worst bit, though. Across 22 low to medium density developments in Dublin, the cost of making apartments viable ranged from €330,000 to €533,000. This tells us that the private sector, building private houses on private land with private finance, cannot provide affordable homes. The requisite market conditions do not exist. Reducing the cost of finance a little might help, but the society’s report indicated that doing this would not decrease the price considerably. According to the report, the expensive cost of finance adds approximately €20,000 to overall cost of a €330,000 home. That figure cannot be reduced, but even if it could, the home would still not be affordable.

The only way to use this fund to deliver genuinely affordable homes for working families and individuals on modest incomes is through local authority-led schemes. Under the Ó Cualann model, for example, the local authority devises a master plan for a piece of public land

and determines what is required in terms of social housing and genuinely affordable housing. As it does with social housing developments, the local authority tenders for a private builder and the builder builds the units. Instead of the State then buying those units back as it does in a traditional social housing development, it buys its portion - 30%, 40% or 50% - and the rest is sold into an affordable housing scheme nominated through the local authority, as was the case previously, at affordable prices. Crucially, however, there would be no possibility of those homes ever being sold into the private market. They would have to remain permanently in an affordable housing system. If the owners wanted to sell them at a future stage, they would need to sell them back into the affordable scheme to someone nominated by the local authority. There would be some index-linking to account for inflation, improvements to the property, etc.

This is what Ó Cualann did. A piece of council land was sold to it at a nominal price. The local authority looked after the site servicing outside the curtilage of the property. Ó Cualann got private bank financing at approximately 7% and built the units at market cost, which was between €120,000 and €140,000. When it added on its compliance costs and administrative fee, it was able to sell those units to people with private mortgage finance for €170,000 to €225,000. They are wonderful and good-quality houses with high energy efficiency levels and so on.

If this can be done on a small scale, can we find a way of constructing HBFIs to allow local authorities, approved housing bodies and private builders utilising public land and publicly serviced sites to deliver genuinely affordable units in good-quality, mixed income and mixed tenure estates? In this way, we would deliver what the land initiatives and public private partnerships cannot currently, namely, value for money for the taxpayer, affordable homes for working families and a good impact on our overall housing system.

Some might ask whether this model breaches state aid rules, fails the market corporation test and is off the balance sheet. We must tease out these issues. The Minister of State's officials have greater expertise than many of us might have individually. We would benefit from talking about that. The recently announced Rebuilding Ireland home loan scheme does not breach state aid rules because it lends to people who cannot access mortgage finance in the private market, having been refused or given insufficient offers. We must be able to find a way of constructing some or all of this loan facility for such people without breaching state aid rules.

Questions arise, and can be teased out on Committee Stage, about whether this would be an off-balance-sheet facility. If AIB lending at commercial rates to Ó Cualann and Ó Cualann then selling on to someone with AIB, Ulster Bank or Bank of Ireland mortgage finance was considered off-balance-sheet because it was a private commercial transaction, there must be a way of combining that with the local authority element of mixed income and mixed tenure estates and delivering good-quality housing.

We must learn from the lessons and weaknesses of the LIHAF. I have examined a number of developments. Deputy Boyd Barrett often talks about Cherrywood and rightly so. I talk about Adamstown in my constituency. These are developments led by large building contractors and they are getting millions in taxpayers' money to get homes that they would have built anyway and that, on the basis of the information the Department has given us, will sell for a minimum of €320,000 to €350,000. I do not understand how anybody could justify in that instance giving a free amount of money to these developers. I know home building finance is different because there will be a commercial rate of return on the loans but we have to learn from that and ensure that we do not make the same mistake.

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I recognise that there is a need for a loan facility such as this. I recognise that if it is constructed in the right way and used appropriately to deliver good quality and genuinely permanently affordable housing, it could be a significant intervention. It can only deliver approximately 6,000 units over three years and I do not believe that any of that money will be drawn down this year, but we are looking at next year. If the Department and the Ministers were a little more cautious in their pronouncements, we would have a realistic expectation of how all this will work. We in the Opposition are genuine about trying to get this right and trying to ensure that there is a loan facility that could work in a completely different way to how some people think. We will sit down with the Minister of State in private briefings, on Committee Stage and when we come back here on Report Stage to craft it in such a way that it makes a real difference and allows builders to build those homes at genuinely affordable prices for people who need them. If we do that, this will be a different kind of debate to the housing debates we are currently having, because it will be something that we agree is good and will benefit working families with modest incomes.

**Deputy Jonathan O'Brien:** Deputy Ó Broin has pretty much covered everything. We want to work with the Minister of State and the Department to try to get this right. There is a unique opportunity to target a cohort of people who do not qualify for social housing because they earn too much. They are over the income limits but do not qualify for mortgages from banks. They are caught between a rock and a hard place. This is a perfect example of where the State can intervene and ensure that affordable homes are built to cater for those individuals. It was disappointing that there was such a delay in publishing the legislation, given that it was announced as a key proposal in the budget last year. The heads of Bill were first published with a bit of imagination and thought having gone into them and there was something there which one could welcome and work with but it is a little disappointing that they have changed to what is now published. Some of the proposals have been dropped. A more significant proposal which is now not included but which was originally included in the heads of the Bill was the one that referred to the design and credit facilities that address funding needs in the context of developing residential units and-or contributing to the diversity or types of debt-funding available for residential development in the State. That has been abandoned between the heads of the Bill and what has been published. That is regrettable.

I know there was much discussion on this legislation with the European Commission. Was that done at the behest of the European Commission during those negotiations or was it just the conservative nature of this Government coming to the fore again? Will the Minister of State explain why there is such a difference between the heads of Bill and what is now proposed? The functions now contained within the Bill lack imagination and ambition. There should be a period of reflection from the Minister of State and Department on this legislation. There has been a significant change in the functions between the heads and what has been published. There are some things that we need to work on on Committee Stage. Deputy Ó Broin has outlined our position on the Bill. We want to support an initiative like this but we have to support initiatives that will deliver for the people in dire need of housing. There is a cohort of people who cannot access truly affordable housing, who have been left behind. They cannot continue to be left languishing in private rented accommodation, paying increasing rents through the nose with no prospect of getting a mortgage from a bank, and earning too much to qualify for social housing. They are left there. We need to deal with that cohort of people. This is an opportunity to do that and I hope the Minister of State works with us in the coming weeks to make sure the Bill caters for that section of society.

**Deputy Joan Burton:** To make this Bill fit for purpose with regard to helping the young people of Ireland in particular to get a family home, either to purchase on an affordable basis or to rent, perhaps via a local authority, we need to change the definition and purposes of the Bill. The purposes of the Bill as described are to enable developers seeking to provide and build viable residential development projects. Residential development means a development solely or primarily for residential purposes. There is nothing about social or affordable housing. That means that we will not focus on the people who really need help, including nurses, teachers, gardaí and soldiers. When the Taoiseach was celebrating our contribution to the UN with regard to peacekeeping, did he know that soldiers cannot afford to buy a modest house unless they are living in a part of Ireland with very cheap housing?

**Deputy Michael D'Arcy:** He lives in the same constituency as Deputy Burton.

**Deputy Joan Burton:** There are also people in the private sector at the start of their careers. The CEO of the Bank of Ireland told me this morning that the starting salaries in the Bank of Ireland for people taking on careers as bankers are €25,000 to €30,000. Will the Minister of State tell me how many of those young people can afford an affordable house? We have to work on this Bill. We will co-operate with the Minister of State to help him work on the Bill to make it fit for purpose for our young people at the start of their careers who, instead of having to stay with their parents to save for a mortgage, can afford to buy a house as was traditional before the collapse.

There are fairly modest but lovely estates all over Dublin West. Recently somebody came to me from a household that pays €1,500 a month in rent. The couple have two kids and between them, with one working full-time and one working part-time, they earn €40,000. Will the Minister of State tell me how they will afford to buy a house? How does the Government propose to help them? A development bank approach is available all around the world. We have a huge amount of public land in this country. We could either lease the public land on a long lease via the local authority at a very low fee or almost cost-free. That would reduce the price of the house because the cost of the crazy speculation going on with land, particularly in the greater Dublin region, would be removed from the equation. As the Government recently reported, there are many potential development sites in the Dublin area. We will co-operate with the Minister of State to make this Bill fit for purpose and to provide homes for people who need to be able to buy an affordable home.

Debate adjourned.

## **Topical Issue Debate**

### **Rural Transport Services Provision**

**Deputy Timmy Dooley:** As Minister for Transport, Tourism and Sport, Deputy Ross will be well aware of the very significant need to address the lack of public transport throughout the country in recent years. Significant work has been done in the major city of Dublin and a considerable number of reviews have examined the best possible public transport model. There has been investment in light rail and new buses and in developing new routes and corridors as the settlement patterns have changed. That is very good and it is the right way to proceed for

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many reasons but especially from a climate change perspective and the necessity to get cars off the road. That can be done and should be done and the Minister has made significant progress in planning in that regard. The transport sector generally has been way behind in terms of moving away from the burning of fossil fuels and the impact that has had on climate change and our inability to reach the targets that have been set out.

While I know the Government has been making certain plans in that area, it cannot just be focused on major areas of population. Many communities dotted throughout rural areas, in particular in County Clare, need additional commuter bus services. I think of areas in west Clare such as Kilrush and Kilkee, and right up along the western seaboard from Milltown Malbay up to Doolin. People travel from there to Ennis, Shannon and Limerick for school, college and work and there is a need to enhance the services. People travel to work from areas in east Clare such as Scariff, Tulla, Feakle and Killaloe to Ennis, Shannon and Limerick and to go to colleges in Limerick. They need an adequate, well-funded public transport service, one which will meet the needs of a developing and changing economy and changing settlement patterns.

It is incumbent on the Department of Transport, Tourism and Sport, as the wider transport service delivery in this country is changing, to provide adequate and appropriate investment in services in rural areas. There is much talk in this House about rural decline - the closure of Garda stations, small schools and post offices - and the necessity to try to put in place infrastructure to ensure that people will continue to live in rural areas. Line Ministers often say the population is not there and the service demand is not as great as it was so it is inevitable that businesses will close. The underlying issue is that in many instances we have not succeeded in putting in the appropriate public transport services to make it possible for people who want to live in rural areas, who come from the areas but who need to commute elsewhere for various reasons. Some young people are not in a position to drive and some elderly people do not want to drive. Other people travel for work.

We must take a holistic approach and put in place an appropriate transport service to meet the needs of all communities, not just those in the more densely populated areas. It should be possible to put in place the appropriate level of service by providing smaller buses and more frequent services targeting those who travel to college and work. That will reduce the volume of traffic on the roads and have a significant positive impact on the quality of life of people who seek to travel in that way and also have a consequent positive impact on climate change by taking more cars off the road. If we can group them together as part of a public transport service, that would prevent people making journeys that are not necessary.

**Minister for Transport, Tourism and Sport (Deputy Shane Ross):** I thank the Deputy for raising this issue and for the compliment, which might have been backhanded, about what is being done in Dublin. We are making significant progress in Dublin and the future is looking a lot brighter for public transport there. I do not interpret the Deputy's remarks as meaning that it is at the expense of rural areas but I understand what he is saying about people in rural areas and rural transport operators looking at Dublin with a certain amount of envy. The greater expenditure in Dublin is due to the population. I will bear in mind what the Deputy said about rural areas in County Clare. We are being proactive in addressing the issue.

The House will be aware that as Minister for Transport, Tourism and Sport I have responsibility for policy and overall funding in relation to public transport. I do not have responsibility for the day-to-day operations of public transport services. The National Transport Authority, NTA, has statutory responsibility for securing the provision of public transport passenger ser-

vices nationally, including the provision of bus services in County Clare. In addition, the NTA also has responsibility, since 2012, for managing the rural transport programme, which includes bus services in rural parts of County Clare. Consequently, the development of bus services in specific areas is a matter for the NTA in conjunction with the relevant transport provider and the Local Link office.

In view of the Deputy's interest in this issue, however, my Department contacted the NTA about existing bus services in rural parts of County Clare and new services which are being developed. The NTA has advised my Department that 13 routes operate through County Clare by Bus Éireann under a public service contract with the NTA. Some of these services are entirely within County Clare while others either originate or terminate outside County Clare. All of these services are entirely subvented by the State. An additional three services are operated on a commercial basis through County Clare by licensed operators, including Bus Éireann Expressway. The NTA has further advised that it is in the process of finalising detailed timetables for Bus Éireann services from west Clare to Ennis. The current services on routes 333 and 336 are proposed to be significantly enhanced and improved from the current level of service.

In rural areas, bus services are provided under the rural transport programme, which now operates under the Local Link brand. By way of background information for the House, the NTA contracts the services and the 17 Local Link offices, including Local Link Clare, manage the services in their respective areas on behalf of the NTA. The NTA, with its national remit to secure the provision of public passenger transport services, is best placed to ensure that the Local Link services are developed and integrated with other public transport services. Local Link Clare operates 24 routes in County Clare. The NTA is aware that there remains scope for Local Link services to complement the revised Bus Éireann services and to provide travel opportunities from locations currently not served or very poorly served. The NTA is also considering proposals from Local Link Clare for two new services to include Ballyvaughan to Ennis via Lisdoonvarna, and Ennis via Kildysart extension to include Kilmurry McMahan and Labasheeda. The NTA anticipates that a decision will be made on both of these services shortly.

Accessing social activities in the evening in rural areas presents particular difficulties which I sought to address in meetings with key stakeholders at the end of last year, arising from which the NTA issued a call for applications. Although Local Link Clare did not submit proposals under the original call by the NTA, I have been advised by the NTA that proposals were subsequently received from Local Link Clare. The NTA is currently examining these applications with a view to having new evening services on three routes in County Clare.

I am committed to the further development of bus services in rural areas and that is why funding has been increased over the past number of years, which has enabled the introduction of new services, including regular five, six or seven day per week bus services as well as demand-responsive services. Key features of these new services have included greater integration with existing public transport services and better linkage of services between and within towns and villages.

**Deputy Timmy Dooley:** I thank the Minister for his comprehensive answer. My compliment to the Minister was not backhanded but rather genuine in terms of what is being done in this city. As one who stays here for three or four days per week, I thoroughly recognise the necessity of a comprehensive bus and light rail service in the city. It is clear from the Minister's response that he has also recognised the needs of rural communities. Although I accept, of course, there will always be funding issues, it is appropriate that, where possible, key areas are

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identified. The Minister has indicated that there is a focus on those areas, particularly in west Clare, and ensuring an enhancement of the service, which I welcome.

I also draw the Minister's attention to the needs of towns and villages such as Killaloe, Scarriff and Tulla which may be seen as satellites to larger urban areas that have colleges and much employment, such as Limerick and the employment zones in Shannon and Ennis. I hope that as a result of this engagement his officials will ensure that there will be a review of the services in place involving a consideration of potential demand and the lifestyle issues of those who live and work in and travel to education from those areas and that they will work towards putting in place an appropriate service that would meet the needs of such areas.

The focus in the House in terms of rural transport is often on meeting the needs of those who socialise at night. I understand the importance of that and such services may be provided through Rural Link and Local Link. However, a far greater number of people would more widely use public transport if such services were available, which would take off the road many of the cars that have such an impact in terms of climate change. I encourage the Minister to continue with his efforts and put more resources towards rural areas as moneys become available. He will have support from this side of the House for any such measures.

**Deputy Shane Ross:** I thank Deputy Dooley. I am committed to improving rural transport throughout the country. The steps taken so far have been small but universally welcomed. The fact that three Local Link services, including that in Clare, did not initially apply did not reflect any disdain or dismissal on their behalf of the night services we were offering but rather were due to timing problems. I welcome that Local Link Clare has now applied. As the Deputy is aware, three evening services are being introduced in east Clare. The first will serve Feakle, Scarriff and Tuamgraney; the second, Feakle, Tulla, O'Callaghansmills and Kilkishen; while the third is a festival service which will serve East Clare Golf Club and surrounding hostels. I will provide the Deputy with a direct response on those routes when I receive further information. We have committed to the provision of those services.

The requirements in rural Ireland are entirely different to those in urban areas. There is a social need for services in rural areas and although there may not be any prospect of the services in many areas being an economic or commercial success, I fully accept there is an obligation on the State to provide such transport for people who are isolated or do not have the frequency or variety of services that are available in Dublin. I hope the Deputy will accept my bona fides in that regard.

### **Mental Health Services Provision**

**Acting Chairman (Deputy Declan Breathnach):** Deputy Eugene Murphy will be sharing time with Deputy Mary Butler. Is that agreed? Agreed.

**Deputy Eugene Murphy:** Yes, a minute of the opening statement and a minute of the reply.

The Minister of State is welcome to the House and I thank him for his attendance. However, I wish to put on public record that the Taoiseach failed to answer a question on this matter yesterday and instead again sent in the Minister of State, Deputy Daly, to bat, while the Minister for Health, Deputy Harris, has failed to come to the House to deal with this crucial issue.

Last Friday myself and fellow Oireachtas representatives of the Roscommon-Galway constituency met Mr. Tony Canavan of the HSE in Roscommon town. At that meeting, it was indicated to us that the Rosalie centre in Castlerea is soon to close, in spite of the Minister of State, Deputy Daly, previously indicating that no such decision would be made until clinical assessments had been reviewed. My Oireachtas colleague and Minister for Communications, Climate Action and Environment, Deputy Naughten, issued a statement in June which indicated that the HSE had confirmed that the Rosalie facility will continue to form part of the service delivery of healthcare in the Roscommon area and that any potential change of its use would take place in consultation with public representatives and relevant stakeholders in the area. Where is the consultation? Have the clinical assessments been reviewed? We have been repeatedly stonewalled by the HSE and the Minister, Deputy Harris, in regard to this unit in Castlerea.

I ask the Minister of State, Deputy Daly, to pass on to the Minister, Deputy Harris, and the Taoiseach the message that this issue is not going to go away. Major plans are currently being put in place for a public meeting in Castlerea next Monday night which will probably attract 500 people who will send a clear message about the Rosalie unit. Neither the people of Castlerea nor I, as one of their public representatives, will let this issue rest.

County Roscommon has one of the highest percentages of older people in the country and one of the highest rates of Alzheimer's disease per head of population. As such, the Rosalie unit should be a vital part of our mental health services in the county. Most of the residents of the Rosalie unit suffer from Alzheimer's disease or dementia and they are unsettled about their future. They have told me that they are upset and worried. It is totally unfair and unacceptable. This matter is not going away. Deputy Penrose knows Castlerea well but I wish to explain to Deputy Ferris and other Deputies who may not be familiar with the Rosalie unit that it is not a broken down centre but rather a fantastic unit which provides excellent care and has very good staff. Its residents are happy there but that happiness is being taken away.

**Deputy Mary Butler:** I was also very disappointed to hear that the closure of the Rosalie unit in County Roscommon had been announced. The unit cares for psychiatric patients, including those with Alzheimer's disease and dementia. As the Minister of State is aware, a recent mapping exercise by the Department of Health and the Alzheimer Society of Ireland, ASI, examined the level of dementia care available to our citizens. The results made for very disappointing reading throughout the country. I accept that the Minister of State inherited these services and I acknowledge his work to date on dementia.

I submitted a parliamentary question to see how many people in Roscommon have dementia and why these beds would be taken from the system. The reply stated that 614 people in Roscommon with dementia live at home and there are 1,842 carers. The Rosalie centre has had no new admissions since September 2016, which indicates that a decision to wind it down was made two years ago.

**Minister of State at the Department of Health (Deputy Jim Daly):** I thank Deputies Eugene Murphy and Mary Butler for the opportunity to provide some clarity, background and context on this issue. I wish to highlight that this Topical Issue refers to the announced closure by the Government and the HSE of the Rosalie unit. I can state with complete authority on behalf of the Government that no closure of Rosalie has been announced by the Government or the HSE. The Rosalie unit, part of Áras Naomh Chaolain, is located in Castlerea, County Roscommon. As Deputy Murphy knows, I am very familiar with it. I have visited it and met each of the residents, their families and the management of the facility. I have met the relevant

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public representatives on numerous occasions on the issue. Currently, there are 12 residents in the unit. I place on the record that the HSE has not announced the closure of the Rosalie unit and I hope that point will sink in. The unit has been closed to new admissions since 27 September 2016. The issues of continuing to best meet the needs of the residents in an appropriate and safe environment and the future use of the unit have been the subject of recent meetings by me with Oireachtas Members, local representatives and the HSE.

To ensure the best interests of the residents are accommodated the HSE recently completed a clinical assessment of each resident, including engagement with families. Following completion of the clinical assessment process, the HSE asked the College of Psychiatrists of Ireland to independently review the process and outcome. This should be completed within a short time. The HSE will then inform me of the outcome of the clinical assessment process regarding best care options for residents and furnish a report on the Rosalie unit.

No decision has been taken yet by the HSE on the future of the Rosalie unit. The HSE chief officer has confirmed in writing to me that it is the intention that it continue as a healthcare facility in the future. The nature of this, whether continued use in its present form or some other use, will be informed by the clinical assessment outcome. The HSE has confirmed that any changes to mental health services in the area will be in line with A Vision for Change.

I understand the chief officer of community healthcare organisation, CHO 2, which covers the Roscommon area, recently met local representatives and spoke to the local media. He indicated the intention of the HSE to cease services at St. Joseph's mental health day centre in Balaghaderreen. I further understand that decision has been taken in the context of implementing the recommendations of the report of the mental health services in Roscommon. The decision to close this centre and provide alternative day services to the current attendees was taken only after detailed consideration of the needs of all of the individuals involved.

I reiterate that no decision has yet been taken in respect of the Rosalie unit. I await receipt in due course from the HSE of the outcome of the clinical assessment process for the unit. That will help inform the best care options for the residents and its future use as a healthcare facility.

To make it abundantly clear to the Deputies opposite and to those watching this debate who have an interest in this facility, admissions to the unit ceased two years ago, in September 2016. There are 12 residents remaining. As Minister of State with responsibility for the areas of both mental health and older people, I have to ensure the residents' needs are best met. If a qualified clinician tells me that their needs are best met in an alternative setting because this is a psychiatric setting, the patients are older, the needs of many of them are geriatric and they may need to be in a social care nursing home type setting where they will be better served, I have to listen to that. I cannot railroad through a decision. However, my commitment, one on which I have been consistent, is that the unit will continue to play a vital role in the provision of services in the Roscommon area. There is no talk from the Government or the HSE of closure.

**Deputy Eugene Murphy:** I reiterate that the Minister of State's work on this issue has been upfront and he has met us frequently. However, I am not reassured by what he has said. I sat at a meeting with an official who said a decision had been taken in the review to close the unit but, as the Minister of State correctly stated, the HSE has asked a psychiatrist or psychologist to examine the matter independently. The reality is that the unit is finished. The Minister of State stated patients' needs would be better met in a more suitable regime. I totally disagree with that. The residents have been well looked after, they trust the staff and are close to their families.

This process is interfering with their happiness and making them unhappy. I have serious issues with the way these assessments are done, and I do not like what is happening.

When the Taoiseach was Minister for Health he gave a commitment that this unit would not be closed, and I have a letter to that effect. I ask the Minister of State to honour that commitment. If some changes have to be made at the centre, so be it, but I beg him not to allow the patients to be taken out of the unit. I ask him to use whatever power and influence he has to ensure that does not happen.

**Deputy Mary Butler:** The HSE chief officer has confirmed in writing to the Minister of State that it is the intention that the unit continue as a healthcare facility in the future. The nub of the question is what kind of facility will remain. The reply to a parliamentary question I received on 24 May clearly stated:

Currently there are no long-term plans for the Rosalie Centre. The Centre has not had any new admissions since September 2016. It is not proposed to reopen the unit to new admissions.

The 18 members of staff working in the unit also have to be considered.

**Deputy Jim Daly:** I thank the Deputies. Deputy Murphy stated he did not trust the clinical review. Unfortunately, it is not in my gift to override a clinician's decision. We have to accept the word of the medical authority who makes the decision on this matter. However, to assuage any fears people may have I requested the HSE to ask the College of Psychiatrists of Ireland to do an independent review of the decision in case anybody believes decisions have been taken behind closed doors. That is not the case. The best needs of the current residents are my foremost priority.

The future use of the unit is also a top priority for me. I have been consistent, as was the Taoiseach when he was Minister for Health and my predecessor, that this unit will continue to provide care for people in the area and play a vital role in that regard. However, if clinicians tell me that the current residents' care is better served elsewhere, we have to deal with that. They are two separate issues that are not tied together. If some of the current residents need to be moved to a better facility, we have to do that. The same would apply to my mum or dad, if either of them was diagnosed with dementia and I was told one or the other would have to leave the home they have both lived in for the past 50 years and go to a care facility to receive better care. Nobody wants to do that but I do not have the authority to override any clinician and tell him or her I know better. With respect, no politician has the authority to do that. We have to respect the clinical judgment appropriate to each individual resident of the unit.

My commitment to the future use of this unit is absolute. We are not in a space where we can afford to close beds when there is great demand for social care and acute beds. As the Deputies are aware, there is a strong demand for services to address later life issues. Given the level of demand for beds in the system, the closure of the beds in the Rosalie unit is not a conversation I am willing to entertain with anybody. However, I have to consider the best needs of the residents, which is a separate issue from the future use of the unit. I want to have that conversation with public representatives and involve them in the future use of this facility to which we are committed. We will ensure that the high regard in which it is held continues and it is put to the most appropriate use possible.

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## Emergency Departments Services

**Deputy Martin Ferris:** On Tuesday, between 12.30 p.m. and 2.30 p.m., nurses in the accident and emergency department in Tralee University Hospital found it necessary to protest against conditions patients in the department have been experiencing over a long period. The problems in the accident and emergency department in Tralee are overcrowding and a shortage of beds. Patients are admitted and are not transferred to appropriate hospital beds because beds are not available. That is the sad situation. I stood in protest with the nurses and there was a huge level of support and appreciation from the general public who passed in cars, buses, lorries and so forth. Almost every person gave a thumbs up or beeped the car horn to show support for the nurses. The staff are fantastic. They do a tremendous job in very difficult conditions. Every day, between 17 and 20 people wait on trolleys in the accident and emergency department in Tralee University Hospital. That is a serious indictment on the provision of a health service that is vital for patients.

I understand the hospital has a bed complement of approximately 350, with an additional 16 to 18 beds available to complement that. Some wards have been closed for a number of years and are lying idle. I understand also that the number of people lying on trolleys waiting for a bed in the hospital has increased by 67% since 2016.

The hospital has sought an extra 43 beds and the appropriate number of staff to provide the necessary service in the accident and emergency department in University Hospital Kerry. So far, nothing has been forthcoming and that is the reason the nurses found it necessary to leave their posts and go outside the hospital to protest. It is a shameful state of affairs that they found it necessary to do so. They are highly appreciated by the people of Kerry, by patients and their families for the tremendous work they do. The Government must make the extra 43 beds available as well as the staff necessary to service them. It should be done immediately. It is not right that every day there are 17, 18, 19 or 20 people lying on trollies. Some of them are very elderly; I was there myself and there were 93 and 94 year olds in the height of the winter lying on trolleys, some of them for three or four days. I know of one person who passed away shortly after being moved to a bed. That is how he or she spent the last 72 hours of his or her life. It is not right.

I am not blaming the Minister of State personally but I do believe the Government has a responsibility to look after patients and provide the resources necessary to deliver a facility in this day and age. Is the Government prepared to make the extra 43 beds available? Is it prepared to create the staffing levels to service those beds and alleviate the terrible pressures and stressful conditions that nurses in the accident and emergency department of University Hospital Kerry work under? The nurses' commitment to patient care is tremendous. Is the Government going to match it?

**Deputy Jim Daly:** I thank the Deputy for raising this issue. I am aware that nursing staff working in University Hospital Kerry emergency department engaged in a lunchtime protest on Monday. I understand that this was to highlight their concerns about overcrowding in the emergency department and its impact on patient care. I want to assure these staff that the Government is fully aware of the difficulties and challenges that are currently faced by all hospital staff, including nurses and midwives, in delivering care in the hospital setting. The emergency department of every hospital is at the front line when it comes to treating and caring for the public. There is a real focus within our health service on addressing overcrowding issues and

ensuring continued recruitment and retention of staff.

University Hospital Kerry is experiencing a prolonged period of increased demand for its services. This is most evident in the older age group of over 75 years of age with a 10.7% increase in attendances year to date. Overall, attendances year to date are up 2.6%. However, the hospital is progressing a number of initiatives to support the patient pathway and improve the patient experience. Some of the examples include the implementation of a frailty intervention team, providing a second geriatrician post to provide specialist experience to care effectively for older people in the area, providing a consultant cardiologist and an additional bed capacity proposal. Recent staffing improvements at this location include the appointment of an assistant director of nursing for patient flow. Since 2017, two additional staff nurse posts have been put in place for night duty and two additional healthcare assistant posts for day duty. Seven staff nurse posts have also been upgraded to clinical nurse manager grade I. A further clinical nurse manager post is in the process of being sought by the hospital to assist patients being admitted. This is in line with the emergency department protocol. In addition to this, four new staff nurses recently joined.

Unfortunately, even with these appointments, there remains a nursing deficit of 1.3 whole-time equivalent posts due to maternity leave and sick leave. I understand that the hospital is currently recruiting for this shortfall in staff. In addition, the emergency department is also supported by 2.8 advanced nurse practitioners. I am confident that these measures will improve the situation in University Hospital Kerry.

At a national level, there is an agreement in place in respect of emergency departments, which was brokered through the Workplace Relations Commission, WRC. Indeed, only last week HSE management and officials from my Department engaged in a conciliation session with the INMO on implementation of this agreement. The outcome of this conciliation was that the HSE reaffirmed its commitment to comply fully with all aspects of the agreement. Engagement with the INMO at hospital group level has been re-established. Management agreed to promote and communicate the job advertisements to fill the vacancies in emergency departments and provide updates to staff on progress.

As part of the emergency departments WRC agreement there is a plan in place to address overcrowding. This plan was developed by the emergency department task force and is being implemented. That is why I was disappointed to see this protest proceed, despite this very recent commitment to renew efforts to progress implementation. The focus must be on working together to implement the plan, rather than engaging in industrial action. I urge the parties at local level to attempt to put aside their differences and engage with the agreement that is in place.

**Deputy Martin Ferris:** It is evident from the Minister of State's reply that there does not appear to be any plan to put in place additional beds within the hospital. That is the crux of the problem. We have 17 to 20 sick patients on a daily basis lying on trolleys waiting for a bed to become available. Those beds should be available. It is not that the physical facilities do not exist within the hospital to provide them. Is there a political commitment to making them available?

The Minister of State said he is disappointed that industrial action was taken. I thought what they did was very mild. It was very principled and it was done in the interests of patients. The nurses came out in a peaceful protest to highlight the conditions they are working under. They wanted to highlight the 17 to 20 patients on trolleys and the fact that there are not enough

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beds available in the hospital and not enough front-line staff. The Government is not prepared to address those issues. It is stalling and dragging its heels and has been doing so for a long period. It is a very mild but very principled position that the nurses have taken in the interests of patient safety.

The Minister of State says the task force is being implemented. Will it take another protest to implement whatever proposals the task force is going to make? Will it take another protest to get adequate beds in the hospital for patients in need? I hope the nurses' actions this week will accelerate whatever decisions the Government is going to take to provide patient care and safety to the people of our county.

**Deputy Jim Daly:** I appreciate what Deputy Ferris is saying and the support he is showing for the situation there. I take no issue with that or, indeed, with what happened. It is just disappointing all round that we end up in a situation where it has to come to that and we cannot get agreement and get everybody playing their part. Everybody has a part to play in this.

If I may make an academic, broader point, every time I hear a debate on trolleys I am minded that we sometimes focus on the number of trolleys. I am not talking about Kerry at all in this instance, just the general debate around trolleys. What is far more important is the length of time people wait on trolleys. Trolleys will always be a feature. If we had eight empty beds in a hospital waiting for eight people to arrive, there would be something wrong with the hospital that had those eight empty beds at any given time, especially with the challenges we are facing at the moment. We need to move our debate on a bit. That is just an academic point and not in respect of Kerry. It is the length of time people wait on trolleys that we really have to focus on. That is the bigger challenge.

There is a national plan to increase bed capacity ahead of the coming winter. A submission has been made by the South-South West Hospital Group on behalf of University Hospital Kerry for additional beds to be opened there for next winter. That is being progressed by the HSE and the Department at the moment and hopefully it will deliver some additional capacity in the hospital. I cannot put a number on those beds and do not want to do so until the process is complete. This is a national process and a number of hospitals are making submissions ahead of the winter.

### **Community Banking**

**Deputy Willie Penrose:** I thank the Ceann Comhairle for allowing me to raise this important issue, namely, the necessity of developing a model or system to provide a local banking system in Ireland. I am glad to see Deputy Joan Burton in the House because she has been a strong advocate in that regard and done a lot of work on the issue.

The report by the Department of Rural and Community Development on this matter was a severe disappointment, which is an understatement. It was a stomach churning event. It was a damp squib and a kick in the teeth for many, including Deputy Joan Burton, as it appears the conclusions were arrived at first and that evidence was then divined to underpin them. It represented the dead hand of bureaucrats at their best, particularly those in the Department of Finance, as I had correctly anticipated and predicted in a number of debates and parliamentary questions on the matter in the past six or seven months.

Be that as it may, I pay tribute to Irish Rural Link, Mr. Seamus Boland and the staff - Ms Sinéad Dooley, Mr. Noel Kinahan and others based in Moate - who have done so much work in bringing the concept of community banking to the fore in the debate and seeking to turn the tide on the decline of banking services in rural communities, including SME lending and relationship banking.

I read with some wry amusement the comments made in the report. Some of those involved obviously never left their ivory towers in Dublin. They started to tell us how great things were on the ground down the country.

Public banking is poorly understood in an Irish context. A public bank is emphatically not a nationalised bank like AIB. In other EU member states public banks are often municipally owned and restricted to a specific geographical area in order to promote regional development. We need such development in the midlands, across counties Longford and Westmeath, as well as in counties Sligo, Leitrim and Donegal. These banks are not for profit and can provide a valuable impetus for regional development and be an alternative to the major shareholder-driven private banks. Of course, that is the essence of the problem. Given the disappearance from the Irish financial landscape of building societies, the old Trustee Savings Bank, the ICC and the ACC which offered agricultural credit facilities, there is a clear gap in the services available between the credit unions and the big banks. But for the credit unions - the poor person's bank - nobody would get a shilling. Everybody would be wiped off the pitch.

In the light of the misbehaviour exposed in Irish banks and the financial crash about which Deputy Joan Burton has spoken so often, many commentators have suggested the big banks' monopoly of retail banking needs to be challenged by a new service provider with a different ethos. Of course, the report ran away from the real issue and attempted to disguise the fact that the Department of Finance's sole aim was to insulate and protect the State's investment in the pillar banks from competition. That is what the report is about. While it is welcome that there will be a further independent assessment of public banking, with the credit unions and An Post, the Labour Party, including, I am sure, Deputy Joan Burton, will be seeking an assurance that it will be acted on by the Government and that the credit union movement will be given a clear road map for how it can develop and expand its services to the community.

I take the opportunity to point out that what is being asked of the Government is not a State investment of €170 million in a German bank. The Department rushed that out to *The Sunday Business Post*. I knew the answer that was going to come yesterday. It struck first and got its retaliation in first. It is about the Government developing a new culture in Irish financial services to get away from the greedy maximisation of profits by the big banks. That is what the Sparkassen group is most preoccupied with - developing a new culture in Irish banking - but, of course, our friends in the Department of Finance do not want to have anything to do with it. I know from the bankruptcy legislation how it behaves. I was there. It tried to strangle all ideas coming from outside the system. During the past few years it has come to confuse the national interest with the interests of the AIB-Bank of Ireland duopoly. We have seen the credit union movement which has less than 30% of its assets in loans blocked in expanding its services. The Central Bank has a tin ear when it comes to listening to the credit unions. We see this behaviour in how it approached Irish Rural Link's proposal. It is scandalous. Why not introduce the Sparkassen model and use it to complement An Post and the credit unions and give us a new method and vehicle for ensuring small businesses, farmers and others involved in agriculture can securing funding for their vital businesses in rural Ireland?

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**Minister of State at the Department of Finance (Deputy Michael D’Arcy):** The Department of Finance and the Department of Rural and Community Development were tasked with fulfilling a programme for Government commitment to thoroughly investigate the German Sparkassen model for the development of local public banks that operate in well defined regions. Both Departments prepared a report on the findings of their investigation which involved an analysis of the Sparkassen model.

As the Deputy is aware, the report on local public banking in Ireland was published yesterday. It outlines the current banking environment in Ireland, particularly in respect of access to finance by SMEs and the mortgage market. It then summarises the Sparkassen model of local public banking as it operates in Germany. A considerable analysis was undertaken and there was careful consideration of a proposal for how the German Sparkassen model of local public banking might be implemented in Ireland. The proposal was put forward by Irish Rural Link and the Savings Banks Foundation for International Cooperation, the international development wing of the Sparkassen group. The report also contains a summary of the responses to a public consultation exercise that was carried out to seek the view of stakeholders and other interested parties on local public banking and its potential in Ireland.

Ultimately, the report has found that there is no compelling case for the State to establish a new local public banking system in Ireland in the proposed form. There are a number of reasons for this. The cost to the Exchequer of the proposed new model is estimated at a minimum of €170 million. Furthermore, the Government currently has shareholdings in AIB, Bank of Ireland and Permanent TSB and its priority is reducing its shareholdings in a manner that will recover the taxpayers’ investment over time. Local public banking, as proposed and considered in the report, would involve further State ownership in the banking sector.

The Government is committed to supporting greater competition in the banking sector. There is, of course, no impediment to interested parties separately pursuing the establishment of a system of local public banks in a manner that does not involve Exchequer funding. The Government would encourage any potential new market entrant to engage with the Central Bank of Ireland and the Department of Finance on the matter.

Additionally, there are a number of challenges related to the assumptions underlying the business model for a local public banking system that is proposed and considered in the report. They include assumptions regarding the proposed cost, interest rates and loan attrition rates. Similarly, the suggested locations in the proposed pilot scheme in the midlands would overlap with existing banks, credit unions and post offices.

The Government recognises there are a number of positive aspects underlying the concept of local public banking in general. They include increasing access to finance for SMEs and supporting local communities and economies. The Government is fully committed to supporting SMEs and regional and rural development. It has already put in place a number of policy measures to support these goals, including the Strategic Banking Corporation of Ireland, the Supporting SMEs online tool, the microenterprise loan fund scheme, local enterprise offices, the Credit Review Office and the credit and counter guarantee schemes. The report also highlights the positive contribution of An Post and the credit unions to the Irish banking environment, particularly in rural and regional areas. We will continue to support the increasing role both organisations can play in the Irish retail financial landscape into the future.

**Deputy Willie Penrose:** It is easy for someone to get a loan when he or she does not want

one. It is the people who want a loan who cannot get one. All of the organisations are lovely until someone goes to see them. They put a person through the wringer and he or she comes out with a refusal. What is the good in that? It was confirmed by the Central Bank that the State effectively had a sum of €20 billion. The figure of €170 million is not included because it is for a pilot project. The sum would be only a few million euro. It would not be risk capital. There were to be two pilot schemes, one in Mullingar and the other in north Dublin.

The Department of Finance let the mask slip when it stated in the report: “Furthermore, there is significant evidence to suggest that the Irish banking sector has become increasingly more stable from a capital and funding perspective, and that relative to Ireland’s European peers, that there is additional capacity to meet demand for lending to Irish SMEs and households.” This is blatant propaganda on behalf of AIB and Bank of Ireland. We all know what the banks are masters of, and it is not processing loan applications or ensuring SME loan applications even occur. I know what they did to people; they wiped them out over €5,000 and €10,000 overdrafts. They tried to sink the whole place yet the Minister of State is protecting them. What would the late General Seán Mac Eoin, a great Fine Gael man, the Blacksmith of Ballinalee, say to this? He would rise up in revolution and he would tell them where to go. The Minister of State should take inspiration from figureheads like that from Longford and Westmeath.

I am disgusted with this. The Department of Finance went too far in praising the banks and, as a result, it revealed its true agenda. In conclusion, the report states: “Nevertheless, the two Departments recognise that the concept of local public banks has its merits and both Irish Rural Link and SBFIC believe that it has the support of many key stakeholders, including private investors.” What is the Government going to do to facilitate the credit unions and An Post in regard to developing public banking to serve rural Ireland, disadvantaged communities and small businesses? Fine Gael is still in hock to the banks. It should call them off. It made a mess of the whole thing. It did not sell off when it should have sold off, and now it is down billions and it is trying to protect their capital shareholding and everything else. The dogs in the street and the ordinary people know what is happening, and they do not accept this type of gibberish from the bureaucrats. The Minister of State should tell the bureaucrats what he thinks of them and shake them up.

**Deputy Michael D’Arcy:** The Government recognises there are a number of positive principles underlying the concept of local public banking in general. It is committed to commissioning independent external evaluation of other possible ways in which the public bank concept could be promoted in Ireland. This could be by means of an online platform, leveraging the Strategic Banking Corporation of Ireland, the post office and-or the credit unions, or by other means. This could avoid any replication of existing Government support for bodies such as the post offices and the credit unions, which are already providing some financial and banking services in rural and regional areas. It is important to see how what is already in place can be most effectively used to support rural and regional economies and SMEs.

The Government will continue to engage with other interested parties and stakeholders, such as Ireland Rural Link, on this issue by way of a stakeholder forum. Details of this stakeholder forum will be announced shortly. There is a commitment to continue to work with An Post and the credit unions in regard to the development of the provision of financial and banking services provided by them to retail customers and SMEs, particularly in regional and rural areas. In addition, it is also important that SMEs are aware of the range of financial and non-financial supports available from the Government and its agencies. Enabling Irish SMEs to create employment and to contribute to economic growth remains an important Government

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priority, as well as supporting rural and regional economic growth and development.

### **Message from Seanad**

**Acting Chairman (Deputy Declan Breathnach):** Seanad Éireann has passed the National Archives (Amendment) Bill 2017, without amendment.

### **Home Building Finance Ireland Bill 2018: Second Stage (Resumed)**

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

**Acting Chairman (Deputy Declan Breathnach):** Deputy Joan Burton was in possession.

**Deputy Joan Burton:** With reference to Deputy Penrose’s contribution, I am very disappointed in the report in regard to the development of a community banking system. Such a system is essential for continuing development in rural Ireland and disadvantaged communities in urban areas because both have difficulty in having banks like AIB and Bank of Ireland take any real interest in the community. It seems there is a very conservative hand in operation in the Department of Finance at the moment.

We all understand the legacy of the bank collapse, the greed that drove it and how difficult the recovery was for people all over Ireland. However, we are a country with an increasing population, we have Brexit to deal with and we are also an attractive location for foreign direct investment, which we hope will continue. A key element is that we should be able to provide a significant amount of development capital, in particular in the context of a community banking model based on the Sparkasse model. Let us remember that the big difference between many of the German regions, particularly in the old West Germany, is they have a long, intergenerational tradition of SME industries which provide local employment in areas comparable to Sligo, Longford or Wexford but are not dependent on somebody making every decision in a branch head office in a city comparable to Dublin.

I link this to the Bill because, as I said as I concluded my earlier remarks, I believe we should be taking a housing development bank approach. Housing development banks and development banks for development purposes are familiar vehicles all around the world. In fact, Dr. Kim, the head of the World Bank, said recently that the World Bank made a mistake in not focusing on people-based development, whether in education or housing, and how to give people the chance to live a decent life with self-sufficiency and engagement in employment - the Minister of State’s officials can check this if they want to. If that is then pivoted to Ireland at present, what is the most serious crisis we face? It is the fact we have a booming population - a great thing to have - and an insufficiency of houses, brought on by the crash. However, the crash is over and we have moved away from that. Basically, Fine Gael is proving too nervous and frightened to act with a strong sense of how to develop housing to the correct scale and number.

The Minister for Housing, Planning and Local Government can, believe it or not, open one house in Ballyfermot which has been renovated under one of the schemes available, and he gets huge television and other media coverage. That is great but it is just one house. There is no scale. We need to be talking about developing houses in the thousands. The development bank

approach would allow us to utilise the publicly owned lands that the State has provided and marry that to an affordable purchase. It could also be mirrored in rural Ireland, where a family could provide a young family member with a site, and the build cost of the house could be the loan advanced by the home building finance authority.

I speak as a Deputy for Dublin West, where there is an intense frenzy in land prices which is as bad, if not worse, than in the two or three years before the crash. This has to serve as a warning to the Government. In many housing developments on the north side and the western fringe of the capital, although we thought €50,000 was a high site value cost, the cost is now reaching the €100,000 mark, and I will not speak about south County Dublin and the south side because it is higher again there. We have public lands. If we marry those public lands with the capital availability, as the Bill sets out, we can attract propositions from builders who may be building in relatively small numbers across Ireland - ten, 20 or 50 houses at a time - but who cannot get finance from ordinary banks because they have an impaired credit rating due to the crash.

The Bill proposes to make finance available to the purchasers who are key to our future social and economic development. It used to be the case that an Irish soldier serving the State working in the Army who was not earning huge wages but who had a partner and children could afford a house. I look at my own family members who bought houses in that situation. However, such soldiers cannot do it now. A family in west Dublin pays more in rent than they would if they were making repayments on an affordable mortgage on an equivalent property. Many people in Fine Gael and, perhaps, the Department of Finance are very far removed from the world in which people live in rented homes in childhood and early adulthood. It is the experience of someone like me. I know what it is like for those who, having been brought up in a rented house, have gone through college, got a job and used that more substantial and consistent income to buy an affordable house with a mortgage. We had examples of co-operatives to which local authorities provided public housing land at a moderate price. We must look at the Bill in a more creative way to establish what we can open up to the type of person who really needs the housing.

There are many good small and medium builders right around Ireland. If we can get them going, it will make significant inroads into the housing demand from young people. If it does not happen, young people will leave for places like Australia and they will not come back. Very often, they will get better money there. A young lad working as a builder in Mayo or Sligo might be able to get a site at low or no cost through family, but he and his partner may not have the capacity to build by taking out what by Dublin standards would be a relatively modest mortgage, albeit one that would not be modest by the lower wage standards that apply in many parts of rural Ireland. We have to be very specific about this.

The Government has an overweening obsession with photographs, public launches and the strategic communications unit by any other name. I note the case of O'Devaney Gardens which is located beside the place I grew up and where my mother is from. I have referred to it 20 times and it has broken my heart. It is beside the Phoenix Park on a gorgeous site. At the time of the crash, the Government said it would give all of these sites in Dublin to Bernard McNamara. As a consequence, many perfectly viable flats were knocked down. The flats in O'Devaney Gardens were lovely, dual balcony flats and their nickname locally was "the luxuries". They were luxury flats because they were lovely. They needed regular maintenance. Can Members imagine a lovely flat with a balcony at the front and a balcony at the back looking out at a courtyard and the Dublin Mountains, respectively? That is how nice the site is. What we had yesterday was like the joke about how many people it takes to change a light bulb. How many Ministers

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does it take to turn a small bit of sod on a site for 56 units? While I welcome the units, nearly 300 families lost their homes there when they were moved out.

Can we be more ambitious about the legislation and, indeed, in general on the deadlines the Government is setting for itself? Relatively few people on the Government benches need housing urgently, but I am sure many of the younger Deputies feel the pinch of an extortionate market in which prices continue to rise. We need the Government to think wisely about its interventions to provide for affordable purchase housing and affordable social renting. It is a total inversion of market rules to have rents higher than mortgage repayments. I acknowledge that the Department's newer staff are preparing all sorts of position papers, but they should please read their Keynes and the various commentaries on housing. It is an absolute inversion of how a market should function that rent is dearer than purchase. That is all wrong. The Minister of State did not mention a specific target but it could be a couple of thousand houses a year.

**Deputy Michael D'Arcy:** I mentioned it but the Deputy was not listening.

**Deputy Joan Burton:** I am sorry. I could not hear the number the Minister of State gave.

**Deputy Michael D'Arcy:** It was 6,000.

**Deputy Joan Burton:** Is that 6,000 a year?

**Deputy Michael D'Arcy:** It is over three years.

**Deputy Richard Boyd Barrett:** It is 2,000 a year.

**Deputy Joan Burton:** It is a modest, albeit welcome, number. Nobody is knocking the number, we just think the Government could do a great deal more. The builders have to make a profit, but the land hoarders should not be encouraged to leech on the Bill and make significant profits on which arrangements can be made to avoid tax. They will not be worried either about the derelict sites levy.

I refer to a very nice site called Barnhill by the canal in Dublin West. It is zoned for approximately 3,000 houses, including, perhaps, a small number of apartments. Mainly, it is family houses because that is what the demand is from couples with children. Notwithstanding the development capital for infrastructure, the site is landlocked because there is not enough money to build the road required to allow access. It is a beautiful site for housing by the canal on the Dublin-Meath border and close to Kildare. The Taoiseach will know it very well from walking and running along the canal. Why can he not say we can have lovely homes for the people working in the greater Blanchardstown area and public servants working in the Dublin region? We have a schools infrastructure and a great deal of foreign direct investment in the area. The Minister of State should take a note of Barnhill and take a spin out to the site or to the Taoiseach's office, which is only a 15 minute drive from Ongar. It is perfect. Since we reopened the site at Hansfield when I was in government, 1,000 very nice houses have been completed. When we were in government, we built a very large secondary school and a very large primary school in Hansfield, both of which, I am happy to say, are doing very well.

With more imagination, it is possible to improve the Bill. To go back to O'Devaney Gardens, I counted three Ministers at the event. The Minister for Finance was there, obviously, as well as the Minister for Housing, Planning and Local Government and the Lord Mayor of Dublin. The Taoiseach was meant to go but he pulled out because it was following the revela-

tions of his comments in licking up to President Trump. It is a pity that the Taoiseach did not go because he would have seen where Fine Gael is failing. Fifty-six units - they will not all be houses - but that is it and on a site that has lain derelict for more than ten years. Will the Minister of State encourage his colleagues in Government to give an opportunity to families to buy an affordable house as they have been used to doing for generations?

**Deputy Richard Boyd Barrett:** In all sincerity, I am so beyond wanting to score political points when it comes to the current housing emergency because it is such a dire crisis and the hardship it is inflicting on so many people is so terrible that I would be happy to support anything the Minister of State, anybody in this House or, indeed, anybody outside this House came up with that would help solve this housing crisis and take so many people who are suffering that hardship out of it. I want to give any proposal the Minister of State puts forward a chance-----

**Deputy Michael D'Arcy:** But?

**Deputy Richard Boyd Barrett:** -----but this only seems to be more of the same. It looks like another misguided, futile attempt to get the private sector to solve the emergency that it created. I cannot see it any other way.

It would seem to indicate a complete incapacity on the part of the Government to understand the reasons for the previous property bubble and crash that led us to the current housing crisis, and because of that failure to learn the lessons of the past, it seems part of a suite of policies that are destined to repeat the same mistakes all over again. Frankly, we are hurtling towards a repeat of what happened only ten years ago because of the Government's obsessive dependency on the private sector to try and solve the housing crisis.

Why do I say that about this Bill? First, let me point to a certain irony here. What we are doing is setting up a small State bank to lend to private developers because the banks that we bailed out at terrible cost because they were systemically important will not lend to these developers. This begs the question, why did we bail the banks out when they now will not lend to do something as elementary as provide housing for people? If the banks are not capable of doing that, the most elementary thing a bank should be able to do, then what the hell are the banks for and why did we bail them out? Having bailed them out and suffered a terrible cost for it, because the banks will not now do what they are supposed to do, we will compound the madness of all this by setting up our own bank to lend to the people they are afraid to lend to. That is bonkers. Either the banks are right not to lend to these people because it is too risky, in which case what the hell are we lending to them for and taking on that risk ourselves when the banks are afraid to take it on, or it was a completely pointless exercise bailing out the banks because they are unwilling to take a risk that they should be willing to take. Either way, there is something wrong.

Even if we set that irony aside, we are setting up a bank to lend to these private developers and I suppose the logic is that this will in some way contribute towards the resolution of the housing crisis. If we follow through what is logically likely to happen, however, we are now to finance the private sector to build houses that nobody will be able to afford and the only beneficiaries will be the big investors who have bought up the land who will sell it to these small builders that the Minister of State is talking about. That is what will happen. The site values are already referred.

We mentioned Cherrywood out in Dún Laoghaire. Hines bought all this zoned development

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land at a song from NAMA - mistake number one. That is water under the bridge. The Government has passed a whole load of policies that have inflated the value of that land to the benefit of Hines. Hines will not actually build the houses. Hines will sell parcels of Cherrywood to the small builders whom the Minister of State was talking about at the inflated site values that have been referred to, and those small builders, who it is to be presumed will be financed by House Building Finance Ireland, HBFI, will pay over the odds to Hines for those parcels of land, and because the sites they bought from Hines, the speculators and investors, will be so expensive, those small builders will have no choice but to sell the houses at prices that are unaffordable, and we will be financing that.

At some point, just like the last time, somebody will realise that the emperor has no clothes. If we build all these houses, the prices will be unaffordable and the market for very expensive houses at some point will just dry up. In fact, it is drying up much sooner than it did on the previous occasion because then the gap between people's incomes and what they were able to pay for houses with overinflated prices was bridged by the banks on the basis of reckless lending. They were lending to people to whom they should not have been lending for the purchase of houses, the prices of which were grossly inflated. Now the banks will not do that and we will hit the wall sooner. In Cherrywood, they were going to sell the houses back to the local authority at €450,000. That is what they wanted to sell the Part V bit to. Will they sell the stuff on the private market at €500,000 or €550,000? There are few who can afford that. They will build houses that nobody can afford and at some point they will realise that they cannot sell them.

This is already happening. I mentioned the other day that Cairn Homes is building property in my area. There is a place called Albany where they are selling properties for between €725,000 and €925,000, and the Minister of State will not be surprised to hear they cannot sell all of them. Cairn Homes has also built a place called Marianella in Rathgar. It looks nice in the brochure, but if one looks at the prices, they start at €650,000 for a one-bedroom apartment and move up to €925,000. Not surprisingly, not too many are selling.

I do not give a damn about the investors who put money into Cairn or who is behind them, although they are cashing out now by selling shares and paying themselves bonuses. The top executives split €4.1 million between them in the past year. They flogged off a load of shares. They are cashing out already. I do not know what investors are in behind them but we will subsidise these guys with Local Infrastructure Housing Activation Fund, LIHAF, funding, increasing the value of the sites that they own. In the case of Hines, although maybe not Cairn, they will then give these sites at inflated prices to the little builder the Minister of State is talking about, who will then have to sell at an inflated price that nobody can afford. It will hit the wall.

I thank the research officials in the Oireachtas Library and Research Service for the digest they provided me with and it provides a real lesson in the fictional nature of market economics that is taught at school, is accepted as common sense and is repeated *ad nauseam* by the Government to justify schemes such as the HBFI and LIHAF and generally underpins the Government's approach to dealing with the current housing crisis. What has the catchcry been? Supply, we need supply. Therefore anything that gets supply going will resolve the crisis because if there is enough supply, the price will fall. That is what is taught in classical economics in the universities but the graph produced by the digest usefully points out that it is not true at all. In the classic economical graph, price goes in one direction and supply goes in the other. They are supposed to meet in the middle and form an equilibrium. As supply is low, price is high, and as supply is ratcheted up, price comes down and they meet somewhere nicely in the middle. That is the theory the Government is operating on but this graph does not look a bit like that. The

graph of what actually happened shows that as supply went up from 2000 to 2008, price went up exactly concurrent to it. Supply went up and price went up and then the whole thing collapsed but they went up together which is exactly the opposite of what the Government's theory and the classical economic theory says should happen and it is now happening again.

It is obvious why this is happening. It is because there is no way in the world that the big builder or the little builder will build to get prices to drop. Why on earth would they do that? It is mad to think they would do that. The builder will not build for prices to drop. The builder builds to get the maximum price possible. Even if they were benign in their outlook and had social objectives, they would not have a choice because the costs of building for the little builder, the costs of finance, especially if they are being lent to at commercial rates, will require them to get the maximum price. We are doing the same thing over and over again and it will lead to the same consequences.

I put it to the Minister of State that this is crazy. He says that it is a small effort to help the small builder. It is not at all. It is symptomatic of the suite of policies that are being pursued which are about facilitating private, for-profit interests to build but who have no interest in solving the housing crisis and are completely incapable of doing so. What should be done is to use this money to build council houses. It is not the job of the State to facilitate the profit-making of private investors or even private builders. Does that mean I do not give a damn about the small builder? No, it is not that at all. In fact, the small builders could get themselves in serious trouble from all of this because they will end up building stuff which they cannot sell at a certain point. The big investors will most likely cash out before that happens as the top guys in Cairn are doing now. At some point they will cash out and it will be the little guy who will be caught again, but this time it will be the State directly financing it. The last time we had to bail out the banks because they financed it but this time it will be us directly financing it when the thing hits the wall.

Would it not be far more sensible to build council houses directly ourselves? There is no risk there at all. A big profit is not made but the State is not in the business of making profit. It is in the business of providing housing that people can afford. The Minister of State himself has said that the State can build houses for between €175,000 and €210,000 and we have a massive bank of public, NAMA, local authority and zoned land with the capacity to provide 114,000 dwellings. Why would we not build public and affordable housing on a large scale on that land? That will not only have the benefit of housing people on the housing list, but will also bring down the price of property generally. It will have a dampening effect on a market that is completely out of control. It will benefit people who want to buy houses as well. That is what we need to do and everything else is a diversion from that.

It can even be seen in the delay from the announcement of this legislation to the fact that it is only coming in now. Why has it taken from October 2017 until now to get this Bill on the floor of the Dáil? In my opinion, the reason has to be because of all the intricacies of the market, lending and the rules that govern that, because there is an interaction between the public objective and the market, the rules governing it, not distorting it, and not being guilty of state aid. Once an interaction is made with the market, everything gets slowed down because the State is getting involved in a business it should not be getting involved in and it is having to pander to the interests of whatever sort in the private market. It cannot be seen to undermine the banks or to distort the private market and so it goes on and on.

It is debatable if any of this will even happen, but that delay is a waste of time when that

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money which was allocated in the previous budget could and should have been directed straight into the construction of public housing. Even at this stage I would advise the Minister of State to abandon this folly and do what is necessary to be done, namely, build public housing on public land with this money.

In my last few minutes I will comment on a very good report on the future of council housing. It is good in the sense of the information that is in it and makes some good recommendations about the need for smaller units, warning that selling off public housing is not a good idea, certainly not at this time. I want to put on record, and I am surprised that nobody else has done so to my knowledge, that I fundamentally disagree with two of the report's major conclusions. The first conclusion is that local authority housing should shift from rents being based on people's income to rents being based on the cost of building and maintaining the houses. That increase in rent that is being recommended that local authority tenants should pay should then be used as the source of finance to build new public housing. I disagree with that.

To absolutely break the link between rent and affordability at this time is the height of folly and it is a capitulation to certain logic of the market. I absolutely disagree with it. They produced some useful tables in the report which show that council housing and the rents we derive from them do not make a profit but they do more than wash their own face. In some cases the cost of maintenance is 50-60% or at the highest 70% of what is received back in rents but they still get enough back from rent to more than cover the cost, so why would we increase rents and break the link between income and rent? I absolutely disagree with that. Cost rental may be good for those who do not qualify for the social housing list, but to start increasing rents for those who are eligible for public housing in a way that is not connected to people's ability to pay is a big mistake. The suggestion in the report that tenancies should not be allowed to be passed on through families is wrong. A change to that policy would break up communities. We should not seek to do that because we want to maintain cohesive communities. People in local authority housing should be able to pass on council houses to family members. While it is a good report, those two conclusions are wrong. The central point of the report is that we need to build a hell of a lot more council housing and I absolutely agree with that.

I will not call a vote on Second Stage because the issue of financing affordable housing and public housing needs to be discussed in detail and these issues need to be thrashed out. Unless there is a very radical change from the Government, which I do not believe will be forthcoming, we will vote against the Bill on Final Stage.

**Deputy Thomas P. Broughan:** The Home Building Finance Ireland Bill 2018 was announced last October in budget 2018 and HBFi was expected to be functioning and giving out loans by the end of quarter 2 of 2018. It is now expected to be operational at the end of the year. One would think that there was not a housing crisis and no need for radical emergency measures, if we take nine months to bring in basic legislation.

During my speech on budget 2018, before details of the Bill emerged, I stated that Home Building Finance Ireland, HBFi, seemed "to be a very poor response to the many calls for the Minister for Housing, Planning and Local Government to establish a State developer of housing or a national housing executive" or a State development bank for housing. Based on the Bill before us, it is clear that I was correct. The €750 million fund to be made available to developers who cannot get loans or enough money elsewhere is expected to deliver around 6,000 homes. However, these are for-profit homes. Other than the usual Part V requirement of 10%, there are no stipulations that these loans are to provide affordable or social housing. We can come back

to this point on Committee Stage.

While a housing finance bank is welcome in principle, the current proposal is merely carrying on the failed private developer model, the favoured policy of Fine Gael and its Fianna Fáil predecessors. That is the key critique of the Bill. The Minister for Housing, Planning and Local Government spoke yesterday at the launch of the report, *The Future of Council Housing: An analysis of the financial sustainability of local authority provided social housing*, by Professor Michelle Norris and former Senator, Dr. Aideen Hayden, which makes the case for the need for council housing for low income individuals and families. One of the central recommendations of the Hayden and Norris report, which we would all support, is that councils be enabled to raise their own housing finance from the property tax and borrowings and have self-financing planned maintenance of their estates. They do not have this option now. The total dependence of local authorities on Government grants for critical social housing development is one of the key reasons for the dearth of social houses from 2011 to the present day. Many improvements could be made in the provision of council housing but we first need a large-scale public and affordable homebuilding programme, and new financial arrangements for councils to raise and deploy finance for housing.

Representatives of developers and builders such as the Construction Industry Federation, CIF, say developers need access to cash and report that in an access to finance survey, 70% of respondents indicated they expect to have difficulty securing finance over the coming three years. Notwithstanding this, the pillar banks and other financial institutions have developed funds for housing development exclusively for these developers. Since 2013, for example, AIB has had a €350 million new homes development fund and a further €100 million social housing development fund was announced in 2017. Also in 2017, Bank of Ireland announced a €1 billion fund for property development. Activate Capital also provides finance for residential property development from a €500 million fund. Again, as mentioned earlier, this capital is being made available, in the main, for-profit, speculative residential units. It would be far better to put such funds and the funds under this Bill into an emergency public housing programme directed by local authorities or a new housing executive.

Section 9 provides for the services, systems and staff of HBFI. It is expected that some personnel and expertise of the National Asset Management Agency, NAMA, will be transferred to this new company and that NAMA staff will be used in delivering the services of HBFI. It is expected that HBFI will also liaise closely with the chief executive of the National Treasury Management Agency, NTMA. Some will ask why the Government has not simply given a new mandate to NAMA, since HBFI will clearly be the daughter of NAMA and the NTMA. NAMA's recently published 2017 annual report estimates that it will deliver a "terminal surplus of up to €3.5 billion". The Government's explanation on the setting up of this new bank is that we cannot break EU state aid rules and so it will instead use the designated activity company, DAC, format. This is where a company is limited in its functions and is usually a special purpose vehicle, SPV.

As part of the DAC set-up, HBFI will issue shares of €20 million to the Minister for Finance upon incorporation. The Government argues that this is the best way to get around EU state aid rules and many of us thought along similar lines several years ago. Is the real reason that NAMA is not being entrusted with this task and fund that worrying and pertinent questions have been asked about its record, for example, on Project Eagle? Fine Gael and the Labour Party have been responsible for directing NAMA's policy since 2011 and the then Minister for Finance, Deputy Noonan, directed NAMA to dispose of huge assets as early as possible, mean-

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ing that it is estimated that between €20 billion and €30 billion of assets have effectively been lost to the Exchequer. My colleague, Deputy Mick Wallace, has, rightly, consistently criticised the Government and NAMA for this approach. In his book *NAMA Land*, the distinguished journalist, Frank Connolly, raises several disturbing questions but it is the political masters of NAMA, in particular Deputy Noonan, who must take the blame for the estimated huge losses to the State.

Continuation of the failed, far too slow housing policy as the *modus operandi* of this Government with the establishment of HBFI is deplorable. Meanwhile, households and people on the social housing waiting lists and in homelessness go on suffering. Deputies receive desperate phone calls daily from people who may have spent two years in homeless accommodation and want to find some kind of stable accommodation for their children. My office received a call from one such person this afternoon.

The Department of Housing, Planning and Local Government has misrepresented key statistics by telling us that 30,000 more homes were built in the period from 2011 to 2017 than was the case. There have been ferocious rent rises with no serious rent control and the 4% rule is not working. House prices have been exploding in recent years and younger savers have little or no chance of affording a home. The Government has presided over a litany of failures. Even the so-called affordable housing scheme has been a failure.

The HBFI will not seriously or urgently address our huge housing deficit. It is hoped the new entity will contribute between 10% and 13% of the housing stock needed, which would require it to fund between 2,000 and 3,000 units per annum. While this belated Bill is significant, it is sadly the same old approach.

One glaring omission from the Minister of State's speech and the discussions today on the Bill is any information on how interest rates will be calculated, what they will be linked to or what will be the loan-to-cost rate. AIB and Bank of Ireland's interest rates are approximately 7% and loan-to-cost ratios are between 60% and 65%. Activate Capital's interest rate is approximately 10% with a loan-to-cost ratio of 90%. Deputy Michael McGrath said between 30% and 35% of housing finance is sourced internationally at high interest rates. The Minister of State said over and over in his speech that the loans would be sourced at commercial rates but he has given us no further information. He might come back to that point.

On the positive side, like others, I welcome that the HBFI will be accountable to the Comptroller and Auditor General and the Committee of Public Accounts, that there will be protection for whistleblowers and that communication between the organisation and outsiders will be managed in a way that prevents a recurrence of the serious allegations made against NAMA. HBFI will not deliver what we desperately need tonight and every night since this housing crisis became so dire seven years ago. This vehicle will not rebuild this country and provide the homes we need.

**Deputy Mick Wallace:** Most Deputies have alluded to the fact that this is July and we first heard of this initiative last October. We are able to do things in this House overnight sometimes and more times it takes a year. It is worrying it has taken so long to get this body up and running. One would have to wonder about the Government's priorities, given that it has failed to progress this initiative for so long and given that some things can happen very quickly.

The Government is in a great position to do something about our housing crisis but it is not

doing so. It has access to two powerful items in its favour, namely, it has access to cheap money and has plenty of zoned land. They are two powerful items to start with. The challenge for it is the way it handles those. No one is saying it is easy. I would challenge anybody in here to be able to list all the housing initiatives that have come before us since 2011. We have all lost count of them. The number of them has been phenomenal. I would argue that if the Government had done nothing, we probably would not be any worse off. We would probably be in much the same place. We have not made any ground.

It is a good idea for the Government to lend money to builders. The Minister of State might say that I would say that given that I have been a builder all my life and I was even a developer for a while. Currently, small builders cannot build in Ireland because the banks are closed to them. The developers who can afford to build do not need the Government's money. They might like to get some of it because they cannot get enough of it. They do not need access to the Government's money but the small builder does. The big developers have no problem garnering access to money.

A report from the Dublin Housing Supply Coordination Task Force is due to be published on Thursday. The Minister of State probably read about it this morning. The article on it states that developers are sitting on planning permission for 25,000 houses and apartments in Dublin's four local authorities alone. Why are they sitting on it? It is not rocket science. One of the reasons they can sit on it, as was said during the debate on Tuesday night, is the fact the Government does not tax them for doing so. It promotes land banking. That is what that is. Sitting on land, hoarding it and not building on land that is zoned for development and that has planning permission is called hoarding. The Government facilitates that by refusing to deal with it and that is a major problem. We covered all of that on Tuesday night and I will not go over it again now. Those developers are not sitting on that land, which has full planning permission, is site ready and has the potential to provide 25,000 units in Dublin, because they do not have access to money. That is not true. They have access to money but they have other plans. Prices are going up all the time. It makes more sense for them not to build because the incentives are there not to build. It is much more attractive for them now not to build and that is what they are doing.

The Construction Industry Federation, CIF came out to defend them. The CIF makes me laugh. It does not represent the builders of Ireland, only the big boys, a bit like the Irish Farmers' Association, IFA, and the farmers. The CIF is waiting for the Government to make a decision on high-rise development. It thinks the Government might let its members build a few extra floors and they will then apply for new permissions. I believe in high-rise development. It is crazy that the Government did not approve that years ago. We are covering the country in concrete. Kildare, Meath and Wicklow will be covered in concrete if we do not start building high-rise developments. It happens everywhere else in Europe and we should be doing it. However, we should not be giving people permission to build 25,000 units and then let them away with not building them, without imposing a penalty. However, that is neither here nor there in the context of this Bill.

The Minister of State indicated: "It is expected that HBF1 will provide funding for projects with a minimum capacity of only ten units, equating to a loan facility of...€2 million." That is good but I would put a maximum capacity of 50 units on it also. The Government does not need to give this money to the big boys. Let us ring-fence this money for the builders who need it. Let us get the Irish builder back working. The Government should stop depending on the big developer and the markets to solve this problem because they will not do it. They may in

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their own time but, as indicated by many Deputies this evening and on Tuesday evening, affordability is a massive factor, but that does not interest them. The Government can do this. It can use the money to give small builders planning permission and funding to build out houses or apartments and it can ring-fence the price with them. I guarantee the Minister of State that he will get builders who are interested, but he will not get developers who are interested. I know umpteen builders who would love the opportunity. The Government will get builders to do deals to deliver affordable housing if it can help them fund it and it should be using State land for this. Why is all that State land not being put into use?

Obviously, I could not let this opportunity pass without mentioning the National Asset Management Agency, NAMA. I promise I will not say anything bold. The Minister of State indicated:

While HBFI will be a wholly independent entity from NAMA, it will utilise NAMA's experience in developing its business model in preparation for its launch later this year... It is expected that some staff will transfer from NAMA and this will be of great benefit to HBFI to allow it to be up and running in as short a timeframe as possible.

There are some challenges with respect to state aid rules, even though people keep telling us in this House that there is enough cheap money. I wonder why are we spending interest rates of 15% to 20% to build schools through public private partnerships if there is plenty of cheap money available. I am not convinced there is a great deal of cheap money available.

**Deputy Danny Healy-Rae:** There is no money available.

**Deputy Mick Wallace:** The Government keeps saying there is. I know for a fact that Wexford County Council cannot get money from the Government. Approved housing bodies can get some money from the Government much quicker than the local authorities. It takes the local authority two years to get money approved. I do not understand why that is the case. I must get someone to sit down with the Minister of State to discuss that.

The Minister of State referred to the expertise in NAMA. I would like him to give me the evidence of the expertise on the board of NAMA around residential development. Where is the background among the members in residential development? I do not expect he can give me that now but he might arrange to provide me with that. I would say they have no experience in producing residential units. They have none. I can tell him what they have experience in. The evidence is there that they have experience in the disposing of land and properties, including houses and apartments, at fire-sale prices. They have no experience in construction. They buy through the developer. NAMA is building out some of the land that it is sitting on by doing deals with developers who have the experience, but when one does that deal, the affordability element goes out the window because currently a developer in this State is looking for a profit margin per unit of between €60,000 and €80,000 for himself. That is the truth and it is happening. Why would we go down that track and why, in God's name, would we engage NAMA in this entity? It is beyond me.

On the problem with state aid rules, we know for a fact that Spain, Italy, Germany, Austria and France have all defied them in the past five years. They have all broken them when it suited them. Why does Ireland not go to the European Union to say we have a massive problem with infrastructure and that we need to spend loads of money in building loads of houses to be provided at an affordable price for the people of Ireland, as well as social housing units for those

who cannot afford to buy a house at any price? Why do we not do a deal with the European Union? If the Government cannot do this and it is restricted by state aid rules, I ask the Minister of State to, please, not bring NAMA into the equation. Memories are short, but it should be remembered that a commission of investigation was set up to look into NAMA. Can we, please, wait for the results of that investigation before the Government gives NAMA another gig?

**Deputy Michael Collins:** I welcome the opportunity to speak to the Bill on the establishment of a new dedicated institution, Home Building Finance Ireland, which will lend to residential housing developers. I sincerely hope it is not just all talk again. An amount of hours has been spent on this issue during the past two and a half years - one Deputy who has just left the Chamber went on the whole time about filibustering - but I can assure the House that no one has ever heard filibustering about announcements and discussions on an issue more than this one. This is the second time this week I have had to ask the same question. Will this just be another layer of bureaucracy? Is it just another announcement? It sounds great, but down the road will we find that it cannot work?

We are all aware of the housing crisis and I am sure some people think a new dedicated institution which will supposedly lend to residential housing developers will help to ease the crisis by creating new houses. In all honesty, will this be like the Rebuilding Ireland scheme that was launched earlier this year? It sounded great on paper and certainly made it look like that the Government was finally taking action. However, it was just another smokescreen for it to hide behind. As I was one of those who had got caught up in all of the razzmatazz, I contacted all of the young people, especially couples, who had been in contact with me looking to see if they could get their lives off the ground by securing a loan. They had been refused by the banks and went looking for a local authority loan. Unfortunately, they were refused by it too. It was the usual old game - one was not earning enough, while the other was earning too much. I advised them that the Rebuilding Ireland scheme would save everyone, but what happened? They were refused. I know of no one who has been accepted, which is extremely disappointing. When the Government makes an announcement from the other side of the House, as Deputies, we must take it as an option to the constituents we represent. Unfortunately, the scheme has proved to be a great disappointment. I know of many couples who spent a lot of time trying their best to get across the line, but they were refused. They were given very poor explanations as to why they had been refused. The Rebuilding Ireland scheme could really have made a difference in dealing with the housing crisis by helping people to get onto the property ladder. Instead it was a scheme that had been launched without adequate resources to deal with the number of applicants. Recent figures indicate that 50% of applicants are rejected.

The Government has spoken many times about its plans to build more houses. It has promised to deliver 47,000 social housing units by the end of 2021 in a bid to tackle homelessness. My concern about this promise is that we are only three years away from that deadline. Can we have certainty that the Government will deliver on its promise?

The Government was offered a shovel-ready project in Skibbereen in my constituency, but it turned it down. We tried our best. The local authority advised on planning and everything was sorted to try to get it across the line, but it was told "No," that another site was being looked at. However, nothing had been done on that site. For me, it epitomised the mindset. There are many announcements but nothing else besides. The situation is the same for those on the massive housing waiting list in Clonakilty. When I was a member of the local council three years ago, people were promised that a number of houses would be built for the families who were waiting. Unfortunately, not a sod has yet been turned. We were promised that 12 houses

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would be purchased in Enniskeane. Recently I met one couple in Clonakilty who, with many more, had set their hopes on moving away from Clonakilty to Enniskeane, but we have now found out that the negotiations did not work out and that the houses are for sale on the website for €170,000. There is nothing happening in my constituency in that regard. For a lot of people I am painting a picture of a very bleak future. Some are looking for planning permission but finding it extremely difficult to obtain it. They meet a block wall everywhere they go.

I have called on the Government numerous times to invest in existing properties. There are countless vacant spaces available above commercial units that need to be refurbished to provide much needed residential accommodation in west Cork. One only has to drive through villages and towns such as Ballinadee, Ballineen, Dunmanway, Goleen, Kealkill, Leap, Schull and Skibbereen to see the pattern of vacant spaces above shop units. I have pleaded with the Government to consider offering grants to refurbish these vacant properties in a bid to ease the housing and homelessness crisis and protect and restore rural Ireland. It is time it listened and took real action. I ask the Minister of State to, please, not let Home Building Finance Ireland be another unsuccessful scheme. The people of Ireland truly deserve better.

**Deputy Danny Healy-Rae:** I am glad to have the opportunity to again talk about this very important matter. Since I entered the Dáil almost two and a half years ago there have been enough plans, schemes, reports and papers provided to build several houses. That is the truth. I am very sceptical about this initiative. The Minister of State said "... a small equity investment of €20 million is expected." It is not at all sure that anyone will receive the €20 million. That is with what we are starting. The Minister of State also said, "With this allocation it is expected that HBFi will have the capacity to fund the supply of more than 6,000 additional homes in the coming years." There is no doubt in the world that 6,000 homes will be built in the coming years, but about how many years are we talking? There is no mention at all of this.

**Deputy Michael D'Arcy:** There is. It is three years.

**Deputy Danny Healy-Rae:** That is not mentioned in the Minister of State's statement.

**Deputy Michael D'Arcy:** It is.

**Deputy Danny Healy-Rae:** I have asked the Minister of State several times to tell us truthfully if the Government has the money for the scheme. I am very doubtful that it has the money.

*7 o'clock* In 2015 we were told that €62.5 million was to be given to build social housing in County Kerry. That is well over three years ago and I can guarantee that €62.5 million has not landed in County Kerry. A total of 20 houses have been built in Killarney. That is the number that have been built so far and a few more have been started. A few houses have also been bought here and there.

The Taoiseach did not know what a demountable home was. There are several families in County Kerry still living in such homes. One couple has been living in such a home for 22 years and they are now looking for a new one. There is a blockage for the local authority which has been caused by the Department.

No demountable home can be brought to anyone unless his or her current place of occupation has been burned or flooded and it is not to be lived in permanently. Not being able to use a demountable home in that way is clearly a blockage.

I know of several farmers who are living on their own or with their wives, but the couple I

mentioned raised their only daughter in a demountable home and she comes back to them every weekend. They have no other place in which to live. They want to live on their own land.

The situation is the same in the case of rural cottages. If the Government has money to give to local authorities, why is it the case that only ten rural cottages will be built in County Kerry in the period between 2016 and 2021? There are a further 37 households on the waiting list for a rural cottage to be built on their own land. They have the site, which is the main element, but the local authority is only receiving enough funding to build ten cottages. These are the facts. If the Government had the money, I am sure it would allow the local authority to build 47 houses, instead of just ten, but that is not happening.

Under Project Ireland 2040, people who just want planning permission to build their own house are being denied it. A family received planning permission from Kerry County Council to build a house, but a serial objector appealed the decision to An Bord Pleanála on a number of points. Planning permission was refused by it on the grounds that the person concerned was living too far away from his place of work. That is the whole truth, your honour, and nothing but the truth. A distance of 6 km was considered by An Bord Pleanála to be too far from his workplace.

**Deputy Michael D’Arcy:** That has nothing to do with the Bill.

**Deputy Danny Healy-Rae:** We are talking about housing.

**Deputy Michael D’Arcy:** No, we are talking about-----

**Deputy Danny Healy-Rae:** We are telling the truth.

**Deputy Michael D’Arcy:** It has nothing to do with the Bill.

**Deputy Mattie McGrath:** Of course, it has.

**Deputy Danny Healy-Rae:** Right so. The Government could do several things.

**Deputy Michael D’Arcy:** I thought the Deputy was going to talk about the Bill when he said, “Right so.”

**Deputy Mattie McGrath:** He is.

**Deputy Danny Healy-Rae:** I am as entitled to talk about housing in the Chamber as anyone else. Just because I am hurting the Minister of State in telling him the truth-----

**Deputy Michael D’Arcy:** No, the Deputy is not.

**Deputy Danny Healy-Rae:** Perhaps that is what is wrong, but I will tell the truth wherever I am, be it here, there or anywhere. One will always win out with the truth.

I am sceptical about the €20 million figure, but the Government could take simple actions. For example, it could help small builders by reducing the VAT rate from 13.5% to 9%, which would achieve a great deal. Other blockages are preventing small builders from building houses. If a house costs €200,000, the Government will receive more than €40,000 in VAT and levies. With the purchaser of the house paying 3.5%, the Government will receive up to €55,000 in taxes, bringing the total to more than one quarter of the overall amount.

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Developers were classed together in a bundle as a bad lot, but that was not true. Of course, there were a few rotten apples, but, by and large, most builders, especially the smaller ones, always served the country well. A few years ago there were four staged payments. A builder was paid when he or she brought a house to floor level, to wall plate level, to roof level and on completion. In that way, builders were able to finance their activities and the Government would not need this €20 million which is “expected to be provided”.

The Government could do something about the issue. We all accept that some houses were not built to a proper standard, but local authorities now have building control units and houses must be built to the standard set and in accordance with planning permission. The Government could take that route, instead of pursuing yet another idea that will not work. By the time the small developer or builder accesses the money, he or she will have been put through so many hoops that there will be a bush in the gap and the people waiting on the house will be very cold if they do not have somewhere else to stay.

We saw what happened with the repair and lease scheme. It was only made available where there was a large demand for social housing. It did not help anyone in a small rural village or where it was deemed there was insufficient demand for housing. Some people are able to do up and rent out their houses and none of them is left idle. If the Government had made the repair and lease scheme available in rural areas, it would have worked, but it was never intended for them because what I am smelling is that the Government does not have the money. If it told us straight that it did not have the money, every Deputy would accept it, but putting bundles of paper in front of us again and telling us that it is expected that 6,000 homes will be built offers no surety to those who are waiting for a home. If a couple and two children who want to get on the social housing list have an income of more than €33,000, they will be prevented from doing so, but if they are to obtain a loan from the same local authority, they must have an income in excess of €50,000. As such, a group of people are not being catered for and I am not convinced that, regardless of who dreamed it up, the Bill will help them. As I have often said in the Chamber, I do not believe the Government has the money. We would be grateful if it just told us this. Everyone would accept it and we would make do with what we had. In 2015 we were told in County Kerry that we would receive a sum of €62.5 million. We will probably only receive it by 2035 or thereabouts.

The Government’s members are master architects of spin and not dealing in reality. I have learned here in recent years that any of these ideas the Government comes up with are just ideas and they are not working for many people. The sad fact is that in the 2040 plan, the Government says that people will still be allowed to build one-off houses in rural areas if it does not detract from urban areas. We want honest answers about what that means. What has the Government told the local authorities? Is it telling the local authorities that people must buy much more expensive houses in urban areas where development land is much more expensive and that they cannot build on their own sites that they may be getting from their fathers or uncles? That was always allowed. Is the Government going to change that entirely? At the same time, it does not have the wherewithal to build social houses. I know first-hand that in Kerry, only ten rural cottages can be built between now and 2021 when there are 37 more waiting. They are being told that they will have to continue to wait. I hope that what the Minister of State says will work out but I am sceptical about it in light of what has happened or, more correctly, what has not happened in the past two and a half years.

**Deputy Jackie Cahill:** I am glad to speak on this. As Deputy Danny Healy-Rae said, this subject has raised its head since I first entered this House two and a half years ago. In our

constituency, the number of people who come to us to try to acquire a house is frightening in the extreme. The public are cynical about politics and about us as politicians. As parliamentarians, it is our job to work to grow the public's trust in the political system. This Bill from Fine Gael will do nothing to increase people's faith in the system. This Bill, that will establish Home Building Finance Ireland, HBFI, was announced last year and it has taken far too long to deliver. It is yet another announcement that was not delivered, and nearly a year later, not a penny has been spent. It is another example of multiple announcements of the same funds by Fine Gael and precious little by way of delivery. That is why the people of this country have grown sceptical of this Government when it comes to solving the housing crisis. The HBFI was first announced a year ago yet, in the midst of a housing crisis, we are only seeing the Bill go through Second Stage now, meaning that this will not be done before the summer recess. The HBFI is designed to lend to builders at lower interest rates than are currently available on the market. HBFI will receive €750 million from the Ireland Strategic Investment Fund.

While we support the Bill, we must seriously question when it will be set up. It is worrying that we have been here before. The Government's previous plan, Activate Capital, has a total pot of €500 million, yet it has contributed to the construction of just 3,600 houses since its creation in January 2016. The HBFI must not be allowed to become a similar flop by the Government but it seems this trend has become the norm with the Government since it came to power seven years ago. Announcing and reannouncing plans but never focusing on delivery seems to be the *modus operandi* of Fine Gael in government. I have said many times that it is no mistake by the Taoiseach and his Government. We cannot explain away the failure of Fine Gael in solving the homelessness and housing crisis by mere inability or ineptitude. It is quite the opposite. It has access to the best specialist advice, both within and outside the Civil Service. It has been the Government for eight years and has had the time. Fine Gael in government has failed to do anything with housing because it just does not understand the crisis. Making a local authority house available to a lower income family is just not a priority for this Government.

In the world that the Taoiseach and Fine Gael inhabit, being homeless or living in a less than suitable rental property is not a problem. The Taoiseach has told us that our homeless figures are not the worst by international standards. This is not incompetence on behalf of the Taoiseach. It is just how he views society and it is important that the public understands this. Under Fine Gael in government, it has become acceptable to say things such as "some homeless people are working the system to get a council house". How anyone could believe that parents would make their children homeless to access a council house is beyond me. It is acceptable for a civil servant in the Department of Finance to suggest that we will continue to have a mortgage arrears crisis until we see a significant increase in home repossessions. In my constituency of Tipperary, it has become acceptable for a housing officer to declare to a young mother and her two children, when she presented as homeless at a local authority, that being homeless was no golden ticket for a council house. This is the new republic that our Taoiseach wants, where official Ireland is cold to the feelings and needs of the less well-off in our society, where it is socially acceptable to treat people in need in such a demeaning way. Meanwhile, the Taoiseach promotes himself at every opportunity, through broadcast, print and social media, as a man with all the answers. He has answers but they are to the wrong questions. This is who Fine Gael are and they will not change.

Homelessness has reached unprecedented levels. Surging rents are at historic highs. Home building numbers are tens of thousands behind where they need to be and we have well over 100,000 on the social housing waiting list. All the while, another massive problem is emerging

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that this problem is completely ignoring. Ordinary workers cannot afford a place of their own. Fianna Fáil is using the confidence and supply agreement to press for a policy shift to establish an affordable housing scheme, increase social housing spending and strengthen the rental sector. The Government has to start delivering on housing after six separate plans and more than a dozen launches. It needs to put bricks and mortars in the ground. Its Rebuilding Ireland plan, however, is already behind target and apparently already manipulating the figures. Supply and affordability are the key issues that need to be addressed to get to grips with the crisis in the private, social and rental sectors.

More housing plans have been launched by Fine Gael than social housing was built in 13 local authority areas last year. It is clear from that and other evidence that the Government has overstated the number of houses built rather than just purchased from the private sector. We need to see a solution to the housing crisis and this Government has to decide to get involved in the work. Forget about launch after launch of existing plans. The Government should take responsibility for the work and hold itself to account for the results. It is clear that if one does not take responsibility or hold oneself to account in housing, the people will hold one to account in due course. There is a crisis that we, as parliamentarians, should rightly be ashamed of and it needs to be rectified immediately.

**Deputy Eugene Murphy:** The Minister of State, I and every Member of this House will go home to a house tonight, a warm house because of the weather, and we hope we will get a good night's sleep. Tonight, in this city, other cities and even in parts of rural Ireland, people will go into hotel rooms, with one family crowded in and with no proper facilities for cooking or sleeping. They will be crushed into an area where other families use toilet facilities and everything else. What is going on in this country is a crying shame. Homelessness has reached unprecedented levels. Surging rents are historically high. Home building numbers are, as the Minister of State has heard repeatedly, tens of thousands below what they should be. We are told about the new Ireland, this great Ireland where there are more jobs and opportunities for people. While I acknowledge that there are more opportunities for many people, the sad fact is that there are so many people outside the loop.

What Deputy Cahill said is true. In fairness to the Minister of State, Deputy D'Arcy, I do not direct my comment at him personally, but there is a certain attitude to people who are homeless. Some ask why they are homeless, why they cannot pull themselves together and why can they not do this and that. I am sure the Minister of State knows well from his clinic, as do the rest of us, the many different circumstances, hardship and sorrowful stories we hear week in and week out.

I will give one example of a terrible anomaly in the current system. It is not just an urban scenario, as it affects rural areas as well. All Members know people who are working hard, five days a week, who get up early in the morning, get children out to school and who come home at night and get everything ready for the next morning. They might be earning €26,000 or €27,000 per annum. It is too much to allow them to qualify for a social house and too little to service a loan. There is a growing number of those people out there and they are frustrated, upset and annoyed. Because prices have gone up people are selling properties they previously rented out and the people I refer to are being shoved from Billy to Jack. They are good tenants. They do a good job and they pay their rent but they are being shoved around the place and they have nowhere to go. A woman came to my office in recent weeks who just broke down and wept after she was told she did not qualify for a house anywhere. She has two children, one going on to college and one in secondary school. I am ashamed as a parliamentarian to meet

such situations in this great Ireland where there are so many opportunities, according to the Taoiseach in particular. When he was in New York putting in such an effort to get a seat for Ireland on the United Nations Security Council did he tell people in the UN about our housing crisis? What would they think of it? I do not think they would be too impressed.

All of us in this House have a responsibility to solve this crisis. If we do not, we are a failure. The Minister of State knows all of the launches we have had. I will go through them again. There was Construction 2020, the Social Housing Strategy 2020, Rebuilding Ireland 2016, the 2012 capital plan, the 2015 capital plan and the 2018 plan. That is six separate plans, and then one must take into account the numerous relaunches involved.

House building numbers are tens of thousands behind what was originally targeted by the Government. Government figures overstated completions by nearly 60% with only 14,500 units actually built last year. Typically, over the past 45 years new builds have been between 20,000 and 30,000 per annum, rising to more than 40,000 as far back as 1998. That was in keeping with economic expansion, population growth and societal change with smaller household sizes. It is great to hear job announcements and foreign direct investment but as the Minister of State knows another problem is arising, namely, accommodation for workers and the cost of rent. The knock-on effect will be serious for the economy. The issue must be tackled and resolved.

As a party, Fianna Fáil has placed housing front and centre as a key priority for this Dáil. We have tried to work constructively on the two budgets to date and we introduced ten Bills on housing to help address the crisis. We must resolve this issue. The national development plan set out a commitment of €1.16 billion capital spending per annum up to 2027. However, that is still just 84% of the €1.385 billion we as a party spent on social housing capital investment in 2008. We are way behind on our spending yet the population is increasing constantly. In addition, the Government has overseen abysmal apprenticeship numbers. In 2017, only 60 apprentices registered for brick and stonelaying and 34 for plastering, which is far short of what is required to meet even the Government's limited target of 25,000 housing units.

The Rebuilding Ireland home loan is effectively just a rebrand of existing local authority mortgage schemes. It is a new name and a new launch but there is nothing different. In the absence of increasing supply it will not enable more people to buy their own home. Only one in three applications is successful, and that is in the midst of the worst crisis we have ever had in housing. The affordable purchase scheme is vague. It lacks timelines and sufficient scale. The subsidy per site currently works out at €16,000, which is far less than the €31,000 to €50,000 in the 1999 scheme. It does not recommence the affordable housing scheme Fine Gael abolished in 2012 and it will not tackle affordability. The Minister of State knows that himself. Only 400 units are targeted this year and funding is still far behind the €150 million allocated in 2008. The Government had committed to the affordable rent scheme. It announced a pilot project for affordable rent since 2015 but is only now getting around to it. Again, there is a lot of spin but there is no substance. We have gone from 2015 to 2017 and we are now in 2018.

I could go on and on but I do not intend to do that. Like most Members this evening I am expressing my dissatisfaction. It is very important that we start building houses. We must go back to bricks and mortar. Local authorities must introduce a scheme specifying that they would build X number of houses each year. We are all aware of the current backlog and it will take some time to clear it even if we had a better rate of building than is the case currently. While we support the Bill, we have reservations on many issues. I intend to bring more detail to the Minister of State, Deputy D'Arcy, and the Minister for Housing, Planning and Local

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Government in the weeks ahead, even though it is the summer. They might get a chance to read it at some stage.

**Deputy Mattie McGrath:** I too am delighted to speak to this Bill. I have nothing personal against the Minister of State, Deputy D'Arcy, but I would prefer to see a senior Minister in the Chamber, which would be the case if the Government was serious. I do not believe the Government is serious in any shape, make or form about dealing with the housing crisis. I raised on Leaders' Questions this morning the fact that there is an enormous number of vacant properties. If one had a car that was a bit shook and it was parked up and one had to invest hugely to buy a new one, one would get the mechanic to look at the car and get it into a fit state to pass the NCT and drive it away again. It should be simple to get vacant houses back onto the market given that they are built, the structure is there and the services are there. Many of them are on single sites but many others are not. In God's name I cannot understand why vacant houses have not been fixed. I must return to what my colleague, Deputy Danny Healy-Rae, said. Will the Government come clean and stop the spin? Does it have money or not? I am sick and tired of asking, cajoling and begging the Tipperary housing director and county manager to explain why houses are not being built. Eleven houses were built in Tipperary between 2012 and 2016. I earlier inadvertently stated that 11 had been built between 2011 and 2016. There are nearly 11,000 applicants in County Tipperary, more than 3,100 of whom have been approved. God knows how many homeless people there are in the county. Some people maintain there is no homeless problem in Tipperary but a homelessness clinic there each Wednesday is packed to the rafters. The Irish people are the victims of a major con job by the Departments, the Government, its friends in Europe and the whole cabal. I call it a cabal because there is no way the Government is serious about this problem when it is building nothing.

I am a member of the Oireachtas Joint Committee on Housing, Planning and Local Government. I compliment Deputy Ó Broin for his tireless work at the committee. I seldom attend its meetings because I am weary of reports, announcements, new schemes and new Ministers. There have been four housing Ministers since Fine Gael went into power seven years ago, three of whom were members of Fine Gael with the other being the brave and bold Tipperary man, AK47, Deputy Alan Kelly. All he built were castles in the sky. He did not build a henhouse or a dog shed.

What is wrong in the Department? I am vice chairperson of a voluntary organisation made up of ordinary people which was able to build a scheme of 14 houses over an 18-month period some years ago and more thereafter. Many voluntary groups across the country are building houses. The system became so bureaucratic and ruled by officialdom that one had to apply to seven sections of the Department which were located in seven different areas of the country. When we pleaded our case, the Fianna Fáil Minister at the time decided the system was ridiculous and could be streamlined such that only one application had to be made. That worked tremendously well but one now has to once more make multiple applications. Perhaps too many people in the Department had no work to do. It is once more again a cumbersome process involving three, four or five sections. A huge amount of paperwork to the Department by county councils. The council has to wait six months for a reply and the reply then requests X, Y and Z and takes another five or six months to go back up the line. It is time wasting, which is disgusting in the context of people having to sleep on streets or in cars or hotels.

Where is the moral compass of the Ministers and the officials? Sadly, they do not have one. The terror, trauma and illness experienced by people who are homeless or frightened of being made homeless is unbearable and causing havoc in society. It will wreak havoc for decades to

come and have far-reaching consequences but the ineptitude of the Government in tackling the problem is obvious. If the Government told us it does not have the money to tackle it, I would not be saying this to the Minister of State.

Our masters are in Europe. One of them was here two weeks ago and told us he was on our side and in our corner. Where was he when we wanted him when the banking system collapsed? The Minister of State gave figures for the amount of money invested in building. Those were Ponzi schemes involving big developers. It was crazy. However, no heed was taken of it by anyone in the Department, Government or European Central Bank, ECB, and no one stopped it. What happened when our banks ran dry? Our so-called friends in Europe and their banks had bulldozed money into the country. However, the bondholders were all protected. What happened when the you know what hit the fan? The bonds were not even drawn down. They are laughing all the way to the bank. The Government was saddled with the debt. I was a Deputy at the time and I accept responsibility for that. The Irish people were placed in penury. Our friends in Europe charged us almost 6% interest rates on the so-called bailout, which I voted against. I voted for the bank guarantee and that is the biggest political mistake I have ever made but I did so on the basis of phony figures and threats to the Minister for Finance. However, there was no businessman in the Government to have the cop-on to tell the ECB to get lost and that we were in trouble. They bailed us out but they still screwed us. The IMF, which was not a close friend of ours, lent us money at 3% interest but our friends in Europe who caused the crash by overheating the economy and shovelling money into the country then left us high and dry. There is much soul searching to be done about the history of the housing crisis.

Hundreds of small builders and small developers are ready, willing and able to build houses. They may be a one, two, three or four person operation with a spouse doing the books and may be a family business. The Minister of State, Deputy D'Arcy mentioned that the equity is too high. I agree with him in that regard. Those builders cannot afford to build and need support. I welcome this fund. I welcome the €750 million which the Minister of State indicated would be provided. I welcome that this initiative is being launched. However, if it is going to be like the countless other initiatives announced in the past seven years, it is a shame to have cut down trees to make the paper on which it is printed. The Minister for Housing, Planning and Local Government, Deputy Murphy, recently admitted that the Rebuilding Ireland home loan scheme and the other schemes have utterly failed. Nine of 780 applications have been granted. What is going on in this little State? I could say the state of Denmark.

The county councils deny that they have enough money to spend on building houses. I acknowledge that the Minister of State, Deputy D'Arcy, is not responsible for housing. However, the Minister for Finance, Deputy Donohoe, and the Minister for Housing, Planning and Local Government, Deputy Murphy, should summon Mr. Joe McGrath, the chief executive of Tipperary County Council, and Ms Sinead Carr, its director of services, and representatives of every other local authority to discuss the matter with their local Deputies. We are told by the Government that busloads of money are being sent to county councils but the councils tell us they do not even have enough to refurbish vacant homes. Who is coddling whom? There are three groups involved, namely, the council, the Government and those of us who are lucky enough to be elected representatives for the time being. We must be accountable to the people. It should not be rocket science. The council representatives should be brought into a room with the five Deputies who represent Tipperary and asked what is going on. It is not rocket science.

Houses were built in Tipperary and every other county between the 1940s and the 2000s. In the earlier years there were no cranes, big machines, computerised equipment, ready mix con-

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crete or anything else. Concrete was mixed by shovel. The houses were built of blocks which, in some cases, the builders made themselves. The houses were built to house our people. It is the responsibility of a Government to fulfil the noble objective that every family should have a roof over its head. It is in our Constitution. The problem now is that we are unable, inept or do not care. Either the Government does not have the money or it does not care. That is a sad thing for me to say because most politicians I know go into politics to try to help people and their communities and better people's lives. However, there is something rotten and stinking at the root of this which is beyond my comprehension and that of many others.

We need the media to wake up. Elaine Loughlin and other journalists in the *Irish Examiner* have reported on the blunder and bluff of the Minister, Deputy Murphy, and his being found out and possibly putting his hands up. Such events must be exposed because the Government is getting away with murder. The Taoiseach flies around the world so much that one would be forgiven for thinking he is Lord Haw-Haw. He is a great man for meeting other leaders. Ireland is booming. The first thing one sees when one walks out the gate of Leinster House is cranes and building sites. However, the cranes are all building offices and the people who will work in those offices will not be able to get a place to stay. People are being asked to pay €300 a night for a hotel bed in Dublin. It is outrageous, as it was in the boom times. The cranes are up but they are not building houses. Do people and families matter? If they do not, it is a sad day for Ireland. That would have sad long-term consequences and is totally unacceptable.

As I said at the talks on the formation of a Government, which the Minister of State may have attended, and at other times, there are a few simple things which could be done without the need for a big Ponzi scheme involving €750 million, a fancy acronym, glossy documents and another big announcement to get the media writing about it. The VAT rate could be changed. I asked Deputy Michael Noonan, the former Minister for Finance, at those talks to drop the VAT rate in order to get small builders building. It should also be dropped for vacant shops. I have proposed that any shop closed for ten years or more should automatically be granted change of use permission in order to encourage investment in those areas. I suggested that we house the people which would give the economy a boost, but we could not do that. The law provides that we can only have three rates of VAT and we cannot have another one. The Deputy mentioned the developers and the builders, that they are a dirty crowd and not to be trusted. There is a big difference between a big developer and a small builder. The small builders are the backbone of our economy, but we could not do that. He said that would not work. I told him the answer was simple. Give the valued added tax, VAT, back to the person who is investing, the couple who want to be rehoused, the family who want to return to live in a town centre or the person who wants to develop a vacant shop and let it to families. It is a no-brainer, but that could not be done either. The Government does not want to do it. It can talk to the big boys in the construction industry and listen to them. It can talk to the Irish Hotels Federation and do it for its members in Dublin. I believe that should be changed, not in the country but in Dublin because of the prices hotels are charging. People cannot get a room because they are all full. If there is a will there is a way but I am worried the Government does not have the will.

Outstanding loans to land developments totalled €64 billion in 2008 across the mix of main retail banks. I am sure they did. That comprised 15% of their total funding. By the middle of last year, that figure had reduced to €2 billion or 1% of their total spending. How did that happen? It did not happen with support from our European Union friends. It happened with the blood, sweat and torture of ordinary families and business people who have been dragged before the courts without any support and evicted from their homes. We complained about

Cromwell but what is happening here now is much worse. That is how it happened. It did not happen under serious management restructuring. The Government helped some people through the cutbacks but families are being terrorised. There is a lack of support for them in terms of free legal aid. If someone commits 102 criminal offences, he can get free legal aid on 102 occasions yet there is a woman in jail tonight because she will not purge her contempt. She has been evicted from her home and she cannot get free legal aid. There is something rotten in this sordid mess.

The terrorising of people is continuing. A very good personal friend of mine has been terrorised by AIB. He is a proud businessman from my area and he is very sick in hospital as we speak as a result of stress. Deputy John McGuinness is interceding with AIB to see if it can do something for him. The way the banks are treating people is disgusting. They will not engage with him and are treating him with contempt. Every time he tried to engage with AIB he spoke to a different manager, a *duine eile*, because they want to get these ready for vulture funds. The Government wants a vulture fund culture to nurture them. It will nurture them alright. There is a hosepipe ban in Dublin but if they needed watering to stimulate them, it would allow them to be watered instead of flushing them out of this country back to where they belong. They are nothing short of marauding terrorists and scumbags. They have no business in this country. They are here to make a quick buck. As the former Minister, Deputy Michael Noonan, stated at one time, they pick the skeletal remains.

If the Government wants to get building going it should support the small builders. Equity of up to 35% was needed. If it is taken out of this fund, it will bring it down to 20%. It should be brought down to less than that for small builders, not for big developers. It should be for small schemes of five, six, ten or 20 units.

The Minister of State talked about fast-track planning. As I understand it, under fast-track planning the applications would go straight to An Bord Pleanála for big developments. That is not the way to go. Little acorns grow into big trees. We should have small developments in small villages in rural areas and allow the small builders to get going. They will work. They will employ people locally. They will buy the materials they require locally and, above all, they will pay all their creditors and give students a chance to work during the summer to earn their way through college, which will take pressure off their families.

There are too many regulations. We hear that big is wonderful. We do not want anything small. No messing with *daoine beaga*. That is where we must start. *Tús maith, leath na hoibre*. We will get going because they are ready and able, and they have the wherewithal. Many of them were beaten down because when the economic crash came, they were the only people who got nothing. Thankfully, most of the people working in a trade and PAYE workers got supports. The self-employed got nothing.

The Minister of State is failing to deal with the banks. He is talking about extra funding, some from our pillar banks and some borrowed from other funds. Our pillar banks are not functioning. They are not interested in Rebuilding Ireland. They are interested in getting their balance sheets down from 15% to 1%, and they have done that at enormous cost and trauma to families and individuals, who have been traumatised. I refer to the Minister of State's county also where I went to try to represent small farmers and business people. They are using a third force militia. We saw what happened in Balbriggan. Former British Army personnel arrived wearing balaclavas and knuckle dusters and beat the living daylights out of a family, and the gardaí stood and watched them do that. They parked their vehicles in Balbriggan Garda sta-

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tion. For what did the men of 1916 die? Where is our autonomy? These people are not wanted here. They are a third force. We have an excellent Garda Síochána and an excellent Army. We do not need a third force of these militia thugs. They wanted blood money and they charge an enormous amount.

I refer to the racket going on with the sheriffs and the county registrars, and the gravy train for barristers. It is disgusting and offensive to the Irish nation and our people, and the Minister of State's Government is presiding over that. It has been in power seven years and it will not change it. It now comes out with this Ponzi scheme and it knows the banks will not listen to anyone. They just want their pound of flesh and the pound behind that. If they go to the bone they will take the bone as well, like the many people who took their own lives because of the behaviour of the banks. Many families have been terrorised. I saw a picture on Facebook yesterday - I am sure everyone saw it - of a child sitting at the tombstone of his dad who had taken his own life because of pressure from the banks. Have we any moral compass? Do we not have any bit of decency left in us that we allow that to still go on seven years later? How can we talk about the economic boom, full employment and the great young country we have when we treat our citizens, our homeless and our children in that way? Where is the moral compass? It must be in the Minister of State's shoes. When he put them on it probably fell through them and down the drain because he does not have it.

I know of at least ten families who have the wherewithal to do this. They are farmers' sons and daughters who have jobs, a wife or husband or who are about to be married. They can get the loan from the bank and they have the site but they cannot get planning permission. Under the 2040 plan, building will be restricted to a certain number of houses in each county. The Government is saying that if they are not built in the towns, they cannot be built at all. That is nonsense. These people want to build. They will get the economy recovering in rural areas if they could do that because they would generate some growth, but the Government will not give them planning permission. They have to have a certain number of hectares now and be farming. It cannot be given to a nephew, a sister or some other relative. That is intruding on the freedom of our young people who are our future. We should be investing in them and supporting them. Students are being fleeced here in Dublin and in other cities when they look for college accommodation.

The Minister is talking about big developments. We should support the ordinary small business people who are the backbone of this country. I refer to small shopkeepers, small farmers and small self-employed people. They keep the economy going and always did, not the big schemes and all the figures the Minister of State quoted. It is also aspirational. There is not one concrete deadline to be met. I have no doubt that in a year or five years from now, if we are here, this will be seen as a failure because it is cloud cuckoo land. The Government believes it is wonderful and that it will raise all boats. It should start on the ground, deal with the simple issues and try to put the 4,500 vacant houses back into use. That would get activity going again. This is not rocket science. The houses are available, as are the services. The Minister of State should go back to basics and start where he should have started.

**Deputy Michael D'Arcy:** I thank the Acting Chairman.

**Deputy Mattie McGrath:** I am not finished. Focal scoir, más é do thoil é.

**Acting Chairman (Deputy Bernard J. Durkan):** The Deputy should conclude.

**Deputy Mattie McGrath:** I will conclude. The Minister of State should go back to the basics and get away from the Ponzi schemes. The Government, and other parties, got in bed with the developers and look what happened. We should support the small builder and allow the people who want to build houses themselves in rural Ireland build them. We will see then where we go from here.

**Deputy Declan Breathnach:** I think it was William Shakespeare who said that people usually are at their happiest when they have a home to call their own. Unfortunately, a generation of young people who had that aspiration may not have that opportunity. The aspiration to own one's home or have a secure tenancy of a local authority house is part of our psyche and embedded in our genes by the history of our ancestors. I came into this House having heard all the manifestos and plans, of all parties and none, and the aspirations to solve this ongoing crisis. I despair at the lack of progress on the Government's promises and the disillusionment that exists among people that we are not capable of solving the problem. Despite whatever criticism the Minister of State wants to level at the Opposition, he should be under no illusion that while Fine Gael has been in government for more than eight years now decanting all the plans time out of number, it is failing to put a dent in the problem. Meanwhile, homelessness has reached unprecedented levels, rents are surging to historic heights and, despite what we want to believe, house building numbers are tens of thousands behind where they need to be. Coupled with that are the 120,000 people on social housing waiting lists.

I spent 25 years on Louth County Council before I was elected to this House. Although the housing assistance payment, HAP, has been very successful, those who are on HAP aspire to be in a local authority house or indeed to own their own home. I would have told people in the past that if they went on the housing list, they would be waiting eight or nine years, and that was the case. Now, the reality is that under Louth County Council they will be waiting 16 years if they go on a housing list tomorrow. We are pretending that we are getting the solution to the problem.

The objective of the State should be to control 30% of the residential market, providing both social and affordable housing. A way has to be found to achieve this in an off-balance sheet model. We cannot deliver that 30% within the restrictions of the fiscal space. The Government has to date depended on our approved housing bodies to deliver an off-balance sheet model. As we all know, before Christmas last year this model was ruled to be on-balance sheet. I cannot understand for the life of me how other countries in Europe are allowed to have off-balance sheet models while we are deemed to be on-balance sheet. We have to find the solution to achieving that 30%. We have hundreds upon hundreds of approved housing bodies. From memory, the top 120 of them are employing 6,500 people.

I am one of those who believe that the local authority should form some form of separate off-balance sheet unit. I argued for this when local authorities were in crisis. What is to stop a number of members of a local authority, through the housing section, from setting up their own unit to borrow off-balance sheet? Nothing was done about it. That is what is happening under the French model, where municipal bodies are capable of setting up a unit and borrowing off-balance sheet.

I have been meeting the credit unions since soon after I came into this House. Fianna Fáil met them as a party and I am sure other parties have done so. They have capacity to build 3,500 public housing units, yet we have done nothing about it. We have had a complete failure. As far back as 1991, I and a fellow councillor met the then Minister for local government and told

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him how to solve the vacant dwelling housing issue. He was a Minister of my own party and I have no difficulty in saying so. Anybody in a local authority who was looking at this could see it coming down the road. Anybody in the old health board regimes could see that there was an incapacity to continue making payments. At that time, from the health board, there were payments of millions upon millions of pounds in rent capacity.

Most of the schemes that have been announced have been failures. They have lauded the Rebuilding Ireland home loan in my own county as a great model but two out of every three people who apply for it are doing so under an illusion that they may get it. Out of every three people who apply, two are being refused. I could go on and on but I know we want to get the legislation through in respect of builders. I have no difficulty with the Bill. It is more important to deliver the houses in our constituencies and stop coddling the people.

I ask the Minister of State to give a response to the core question here. If I am correct that we need 30% social and affordable housing, why are we being treated differently? I heard others asking whether we have the money or the capacity to get the money. Let us stop coddling the people. If they are going to be 16 years on the housing waiting list, which is the case in Louth, then we should stop telling them we are going to solve the crisis if we are not going to. We should give the local authority back the power. I know there are many in my own party who do not believe it but we denuded them of staff and capacity. The key staff left during the boom. The Minister of State may blame whom he likes for that. We need that staff of 6,500 in the top 120 housing bodies to work in the local authorities, and if that is not possible because of the way we set them up, we need to align the key housing bodies to particular counties and have them deliver to, say, two counties in collaboration with the local authority.

I am opinionated on these matters as most of us are. We talked about new politics in this House. As far as I can see everybody has all the solutions - so have I, or I think I have - but we are not sharing them and are not prepared to work on them. If the ideas are out there, we need to start delivering on them regardless of what election is coming down the road. We need to work together and stop coddling the people about their opportunities in respect of getting housing.

**Deputy Fergus O'Dowd:** I served on the same council as Deputy Breathnach. Over the years that I was a member very fine people from both sides served on it. One of the people I would like to mention is the late Tom Bellew, who sat as a councillor and also sat in this House as a Fianna Fáil Deputy, I think he was on the Government benches at the time. He was quite a politician and he fought his corner well, sometimes in very difficult ways. One thing he did which I always admired him for was to put together a group of people who built their own homes in Dundalk. I remember going to meet him with some people from Drogheda. He met us on a Sunday afternoon because it was the only time that would suit everybody. It was a prime example of a community working together to build housing on local authority land and he was very much part and parcel of that. As Deputy Breathnach said, it is about working together. I agree with him on this issue. We need to work together a lot more in local government in the spirit of Tom Bellew and people like him I think the builder's name was Duffy. Someone can correct me if I am wrong. It worked very well.

Voluntary groups around the country get a builder to build homes at a fixed price. It is time to go back to that approach. We need more people to get involved in building their own homes. We had exemplars of this approach in the past and we have exemplars of it at the moment. I hear different organisations mentioned in this regard. We have enough public land to build in the region of 20,000 homes. Let us sort this out and advertise. Louth County Council, for ex-

ample, should advertise for people to express an interest. It could offer to take, for example, 10 acres of land, design a house or house type for applicants, fix a price and help them with costs. Far more people would get involved if the local authorities showed the type of leadership they showed in the past.

A Fianna Fáil Government took a very active and progressive step in the past. When I was a councillor, Fianna Fáil ran the council for at least 20 years and Fine Gael did not get a shot at the chairmanship. At that time, the National Building Agency, NBA, did exactly what Deputy Breathnach spoke about, namely, provide services to county councils. Under the agency, many fine houses were built in Drogheda for the council, which decided where the houses would be built and put the land together. The NBA designed and managed the construction of the homes. It was a very effective agency. The advantage was that in smaller counties or local authority areas where councils did not have sufficient staff with the knowledge base and construction skills required, the National Building Agency provided this expertise. This approach worked well and was cost-effective and extremely well managed. We need to go back to that.

I welcome the legislation and the actions of the Ministers for Finance and Housing, Planning and Local Government in providing funding for the housing we so badly need, whether public housing or housing provided through approved housing bodies.

Deputy Breathnach is wrong on one issue. I refer him to the housing list issued on Monday by Louth County Council. While someone living in the larger urban areas such as Drogheda or Dundalk will wait eight years, which is eight years too long, in other parts of the county like Cooley, people do not wait for longer than four years. In rural areas, because the housing list is more confined, there are fewer people looking for a smaller number of homes and they do not wait as long as people in urban areas wait.

Louth County Council is an exemplar in the context of dealing with empty homes, abandoned, derelict and boarded-up homes in Drogheda, Dundalk and other places in the county. The director of housing, Mr. Joe McGuinness, put his name on notices that appeared on at least 60 derelict homes in County Louth in the past year. He is using compulsory purchase powers to acquire these homes and place families in them. This approach has been extremely successful. The cost to the council, including legal costs and costs arising when somebody has ownership and can exercise legal rights, is less than €100,000 in each case. We could provide thousands of houses around this country if we bloody well wanted to. People have to do their job. If they are not doing their job, they should get out and councils are not doing their job in many parts of the country. In some cases, they are inefficient and do not want to know.

If one walks along any street of any town in Ireland, as I do regularly in my constituency, one can find empty homes and empty premises over shops. Large numbers of people lived over shops and properties 100 years ago. Town centres were teeming with people. The Government introduced an initiative to encourage developers to carry out an over-the-shop development. I understand it is restricted to fewer than nine units. The developer does not need planning permission but must ensure all units meet fire regulations because fire safety is obviously critical, particularly in older structures. This is not happening quickly enough. The Minister with responsibility for housing cannot and does not build houses but creates the appropriate conditions and provides finance and political direction. Councils must be more committed and driven and must be made to account publicly every quarter in respect of statistical changes and proactively using the law to ensure premises are occupied. This does not mean taking a negative approach. It means ringing shop owners to tell them their premises could be occupied at a certain cost.

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We need much more activity, energy and drive than I see in some places. County Louth has that drive, energy and commitment, as do the Minister and Government. We just need to do more.

I note Deputy Breathnach's comments on people who apply for loans. He said two out of three applicants are not approved for loans. While that may be the case, it is all the more reason for councils to get involved to see whether we can do better and to engage and support families and people in that position. The interest rates being offered on loans are relatively low, perhaps 2% or 2.25% over 20 or 25 years. It is a very good proposition but we need to do more to drive it. We must also consider the experience in other places. The empty homes strategy is working in County Louth. Those who are not aware of it should examine it.

Some excellent voluntary bodies and professionals have argued that council tenants should no longer be able to buy council houses. I reject that utterly. That a family could live in a house for 40 long years, rear and educate children and do what they can for them only to have a solicitor or big council man come along and tell them to bugger off and nobody else in the house will be able to live in it and it must go to somebody else is an appalling vista. I reject it utterly. It is wrong, unfair and anti-family. This is a right people have and it passes from generation to generation in my town. These are family homes for which families have paid over and over again and to which they are entitled.

I agree that rents must be seen to be fair and must be proportionate but in many cases the houses were built 20 or 30 years ago. The cost of these houses has been more than paid for. To say that a rent will be set based on the value of the house today as opposed to the day on which it was constructed is also wrong. We must show more respect for people in council houses and acknowledge the work many families do. The communities I know best are in local authority or public housing estates which people feel very privileged to live in and where they are happy in their homes. They look after these houses so well because they are their homes for which they have paid. I feel very strongly about that. I do not approve of this proposal from these wonderful bodies who do excellent work and I will not and cannot support it.

It is vital that we have this debate. The progress we are making in County Louth and east Meath is clear. I visited an estate about two years ago during the election when there were about 20 houses in it. When I visited it again this week more than 250 houses had been completed. A significant number of starts are being made.

There are very significant construction projects under way and they are working. It is wrong to say houses are not being built because they are. It is wrong to say progress is not being made because it very definitely is. It is wrong to say the funding has not been provided because it has been. It is wrong to say people cannot get loans because they can. It is wrong to say land is not available because it is. It is wrong to say no access is being provided by the Government to land that is landlocked because it is, and more than €200 million has been given to open up lands which would not otherwise be available.

While it is constituency business, where a town like Drogheda has been designated a regional growth centre, we need to look again at the infrastructure for the significant increase in jobs and housing that is on its way. We must plan for roads like the northern cross route, which is badly needed. I see Deputy Breathnach smiling at me. I want him to support it as well, by the way.

**Deputy Declan Breathnach:** I will.

**Deputy Fergus O'Dowd:** He might get some second preferences. We need to look at those issues. The 2040 national development plan means we are designating significant growth in areas of our cities and towns. The increase in population that is coming needs to be planned for and thought about now. We need to make sure any roadblocks that may be in the way are dealt with.

The progress that has been made is significant. What Deputy Breathnach says is true in that we all need to work together and accentuate and support the leadership roles. In other words, if there is leadership, as there is in County Louth, I believe we should take the people who are providing that leadership and make sure they are put in a position to demand a response and accountability from local authorities up and down the country. This would be extremely beneficial and useful, and it does actually work. However, we have to have the guts, the determination and the commitment to do it. If we have those things, it will happen. If we do not have them, we will continue to have boarded-up homes and abandoned properties which families should and could live in.

The biggest crime that has been committed against housing applicants in recent years has been committed by the local authorities themselves, in particular through the rejection by local authorities of the option presented to them of thousands of NAMA properties. They refused to take them. They refused to say, "Yes, we will take these homes and put local authority tenants into them". It is entirely unacceptable, although it is historical now because it has happened. Over 1,000 houses in Dublin could have local authority ownership or leasing, and could have local authority tenants in them, but this has been denied to those families. When we see all of the homelessness in Dublin, which is very significant and is an appalling vista for those families, a significant number of them could be in local authority homes today if local authorities had to accept them.

One of the main reasons they used to say "No" was that the social mix was wrong. In other words, they did not want council tenants living in certain estates. Whereas the mix was originally 10% and some councils went to 20%, they could have gone to 30%, 40% or even 50% if they had wanted to, and they did not. The point is that those houses the councils would not take up now contain HAP tenants who are paying a fortune to the private landlords who took over those homes. All of these people are waiting to go on the council list while they are living in houses which the council could have owned. That is entirely wrong.

I support the Minister in what he is doing. We need to be more radical and ruthless in terms of the lack of productivity from some local authorities. Ultimately, the people will judge us all on this. The judgment at the moment would be that while there is a lot done, as Fianna Fáil would say, there is a lot more that must be done. We must do it. I believe the Government is tackling this in the correct and appropriate way.

**Deputy Michael Fitzmaurice:** I welcome the opportunity to speak on the Bill. As I have pointed out previously, there is a problem for builders. People have been giving out about them and they have a lot to answer for down through the years. At the end of the day, however, we need builders to build houses. There is also a problem with getting the money. As we know, investment companies are looking for up to 15% and a share of the profits, which is causing a major problem. The reality is that if builders do not have money, they are not able to build houses, whether we like it or not.

We need to make sure of one thing. The State needs to safeguard itself so it has a security

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cushion that protects it and ensures it does not put itself in a position that leaves the taxpayer exposed. While I hope that does not happen, if something went wrong, it would be like what happened before. We need to make sure we are covered.

While I am open to correction on this, I have heard that some €60 million will be put into this. I have looked at how this will fill the gap between the 20% or 30% equity in order to bring it up to the 50% that the banks will lend. The Government gives a figure of 6,000 houses. However, if €60 million relates to the 20% equity, and if an average house costs €300,000, which would not be overdoing it in Dublin although they would be built for less down the country, while my maths might be wrong, when we add the equity of 20% and the 50% more that would be borrowed, I can only see it working out at about 1,000 houses. As I said, I am open to correction on that but, going on the figures I have tallied, either the houses are very cheap or some figure is not right.

It is also important that the interest rate is low. Even for businesses, we have seen loans that were Government-backed but, to be honest, the rates were higher than bank rates. We have to make sure when delivering houses that we deliver them at a good price.

Another issue that will have to be addressed shortly is investment in sites in the larger cities. Investment funds come from pensioners in different countries who have made investments. Sooner or later, they will realise a good shot of their money is going to be lost because the price of the site is too high to build. This has nothing to do with Government and I am not blaming Government for it. There are investment crowds sitting on other people's money, thinking they are going to make a fortune out of the Irish people but, down the road, they might get a ferocious shock. I believe they would be as well to get the shock now and release the land, so people can get building on it, than they would be to get that shock in a year or two.

We have to take many different approaches. While we can have an agency like NAMA, I am a firm believer that money needs to be released so that, for example, institutes of technology and other colleges can build student accommodation. That is an angle at which we could hit things fairly quickly. There is a great deal going on in respect of housing, including the issuing of policy documents and so on. One can give money to builders, but if we fail to cut out the paperwork, nothing will be done. If people have to go through an involved planning process, they will be held up. We need a system that gets shovels in the ground fairly quickly.

I cannot understand the following but perhaps the Minister of State will be able to enlighten me later. We have people designing houses in local authorities and the Department. They create separate designs for social housing in Galway, Donegal, Dublin and so on. I cannot for the life of me understand why we do not agree on a single design, whether it is a three or four-bedroom house, and go with those drawings in the different parts of the country. Instead, we are paying these people large sums of money to add in little frills and waste money. That is something that needs doing.

It is surprising to hear that there are people refusing to take houses worth €500,000. I have put down a question to the Department on that. It is alarming. It may not be many people, but it is surprising to hear nevertheless.

We can have the policies and we can fast-track the planning. Every bit of money helps. However, I read today that credit unions have €9 billion which is available to help, but no one seems to want it. A bit of interest on a euro at home is nearly better than giving the AIB extra

money. The Government can, with the best will in the world, provide all of that and put the foundations in place as best it can, but, as Deputy Murphy said last week, it is like fighting a war and one has to hit it hard. One has to go hard at building houses because there is a major problem. We need delivery and more delivery from people who know how to deliver, not from those who are drawing up policy or engaged in planning. With the greatest of respect to them, they are marvellous at that. However, until one gets hammering on the ground, fast delivery and pressure on builders, we have a problem.

One can give builders money, but it should not be all sunshine for them. One has to ensure they deliver too. We have to introduce a system whereby we let them build a certain number of units before equity is released to let them move on again. I am fearful. I was talking to a certain company today. With the different things happening in construction and infrastructure, I am fearful of a labour deficit. We need to man up fairly quickly.

We need to let the credit unions facilitate more construction. While the State is getting money at less than 1% from the European Investment Bank, we would be as well to give that through money Irish people have invested here if it is signable for five, ten or 15 years, whatever the agreement would be. Unless we hit this fast, the problem will be here again. I do not blame the Minister because no one will solve it overnight. However, we hear figure after figure. Someone will say the figures are not correct and someone else will come back with other figures. At the end of the day, it is about supply and demand, as with anything. If one does not have enough of something, it is expensive and if one has plenty of it, the price is kept down.

I heard an interesting debate on the radio as I came in yesterday. It was about landlords. Many people like to kick them and perhaps many of them deserve it. However, a lot of them are moving out of the system, and rightly so. While I am the first to say tenants need protection, I heard of an incident where a person was not paying rent and managed to wrangle a full year in the accommodation. There was no protection there. Let it be clear that I am fully in favour of ensuring that anyone renting has proper protections, but if a cowboy does not want to pay his rent, that must be looked at too. We have to ensure the scales are balanced.

There is, rightly, a serious focus on places where there are housing shortages, but there seems to be no thinking about whether we could create a commuter belt outside Dublin with good public transport links. Perhaps houses could be built in the Minister of State's constituency in Meath or in Kildare with a transport infrastructure to allow that. As infrastructure improves, travel times get shorter. Unless we focus on balanced regional development, we will be in trouble. Dublin is like a magnet. While that is positive in some ways, it is a torment to people who are trying to travel here for work or find a place to live and bring up a family. It is tough going. What one pays in rent here a month, one might not even get in wages in another part of the country. What people have to pay is ferocious and I sympathise with them because of it.

When money is being provided by the Government, there should be a buy-in from builders on social housing. We must also think of the young nurses, gardaí and others who are starting off in life and who, to be brutally honest, cannot afford a house in most of our cities. They can hardly afford the rent. If the State has land, it should set aside a certain percentage for those workers who are necessary in any society. We have to look after them above all. This is the generation coming up and it is sad to see that some of them cannot afford homes. If one speaks to young gardaí or nurses, one knows they have damn all left after paying rent. It is tough going.

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Perhaps the Minister of State will discuss later whether we are leaving ourselves open to losses in the Bill. I am not saying we should screw people or cripple them. However, we are paying money out here. While there will be certain stringent conditions, we must ensure there is some security in case it all goes belly up so that the taxpayer will not be left footing the Bill. Many, who never went near housing and who never were involved in some of the madness that went on, are still paying the bill. It has probably stopped many people's progression. Thankfully, people are starting to recover.

We also need to put in a strategy. While it was good to hear Deputies Breathnach and O'Dowd speaking about vacant houses in their areas that the local authorities seem to be renovating rapidly, there are many areas where I do not know what is going on but on which we do not seem to be moving. This is what I would have always argued for down through the years - one should reward the person who produces the goods and not tolerate those who do not. There are many such places around the country. I have seen it myself. I have seen houses that have been 12 or 14 years sitting there that one might tell someone about and they might not even be on a register. That is damnable. Local authorities should have all their property recorded. That needs looking into. While the Government is trying to improve matters, responsibility has to start being sought from some. Either one is fit to deliver or one is not. We need a body that will be ruthless at delivering houses. That is my honest opinion. It is like what we used to say one time when we were at pipelines, that whatever comes in the way, one must drive on and keep going.

**Deputy Damien English:** Is the Deputy looking for a job?

**Deputy Michael Fitzmaurice:** Until we decide to have the attitude that we will get them built and that the reams of paperwork will start being taken out of the way, and where we will build them that we have the land ready, and that there will be no law agents making millions of euro out of sending letterreens over and back stating this and that is wrong, and then someone else in the local authority sending it to the Department of Housing, Planning and Local Government and it going round and round in a circle, we will never build houses. One can have the money and one can have the site, but one will not succeed if one does not have a bit of cohesion and drive to it. Homes are not that hard to build, if one goes at it.

I would be interested to know what the Department look at. I have looked at a new sort of house. It is like a Lego set that one can put together. One puts the concrete into the middle of the set, but it is insulated on both sides. It is used in some countries, and it is quick. The Minister of State, Deputy English, or I would peg the Lego together in a day or two. I ask that the Department look at systems that may beat the shortage of labour, to be honest about it, that will be highly insulated and that would be a quick solution. Perhaps it needs more research but, in America, it is big. In certain countries, it is getting bigger and bigger. It simplifies the construction to a large degree. It is worth looking at. One puts in the reinforcing bar, rebar, up the middle of it and pours it. It is, basically, like pouring a mass-concrete wall in the middle, and one has the insulation on each side. We need to look at perfecting roofs also.

We are back to the issue that if the Department has a guy in Galway drawing one plan and a guy in Dublin drawing another, and someone in Cork drawing another, if one can set out 100 houses or 500 houses and say it is that by that by that, these are the size of the rooms, this is the front that is on it, this is the specification and these are the windows and price it, one will build them for a reasonable cost because everyone will know where they are going and one will not pay some to diddle their fingers wondering what fancy bit of design to put in the front, such as

a bit of stone. One should have a certain set design to get it going.

I would be the first to say it is easy for me or anybody to talk about it. I come from a construction background. It is solvable but it will not be solved overnight by the flick of a light switch. Every bit of money that is put towards housing is a help but we must ensure we include provisions that will make the body safe for investment but also simplify the process to drive it on.

**Deputy Kevin O’Keeffe:** I acknowledge the proposals here today.

We have been waiting a long time for this. These proposals should have been in place even before the fall of the previous Government. The Minister of State, Deputy English, acknowledged the impending shortage of houses in this country.

In reading the opening speech of the Minister of State, Deputy D’Arcy, seeking access to funding has been a big problem for good builders in the past number of years and I welcome the Bill in progressing the construction of development and the provision of housing.

As I said, the process has been slow but, hopefully, we can move matters forward. On the number of houses delivered, as indicated by the CSO, 15,000 units were delivered in 2017. The number was so low because there was no money available for those who were building.

This year, of course, it has been acknowledged that maybe there are two types of developments out there. Perhaps there are builders still carrying land from the period when the price of land was significant. The second category of builders are those who came in now and are able to build. It is important that every builder is able to progress and build houses.

It has to be acknowledged that the availability of appropriate development finance for commercially viable residential properties has been identified as a key contributory factor in the ongoing shortfall in original supply. The Minister stated that the introduction of the HBFi will provide a crucial boost to the availability of this important source of finance but the Government must acknowledge that it has been slow in bringing this forward. I keep reiterating that. I am here just over two years and there was a housing crisis before that. The Government will say that it administered the economic downturn and had to take measures to safeguard the whole financial structure in the country. At the same time, we allowed a housing crisis to develop under our noses.

The cost of borrowing for builders is still too high. This Bill has to be welcomed. The number of active lenders in the State has substantially reduced. Some have left the State, at the same time, because of reckless lending. Mr. David Drumm admitted that the bank of which he was chief executive created the reckless lending in the country and things needed to be corrected, but there was a big drive in that period for more money to be made available to developers.

I welcome that the Government is taking action to be more approachable in making money available. At the end of this, we welcome that finance is being made available and we would ask that the Government get it in place as soon as possible. We have the homeless crisis. We have people looking for housing. At the same time, the costs of development have gone up, outside of the issue of the land, in the past ten years. The Government introduced additional measures, such as heat conservation, that now need to be put in place and which add significant cost to the construction of a dwelling.

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I welcome the Bill. I hope that we can progress it but, as my party spokesman, Deputy Michael McGrath, has said, we need to move quicker.

**Minister of State at the Department of Housing, Planning and Local Government (Deputy Damien English):** I did not get a chance to listen to all of the speeches but I will go back over them. Some of the speeches are linked to housing as well as finance. We have to recognise that the Bill is a combination of measures to address housing difficulty and to help those involved in construction, especially small-scale builders who are getting back into business and having difficulty accessing finance.

The Minister of State, Deputy Michael D'Arcy, introduced the Bill on Second Stage. I will address some of the issues raised about housing but before I do, I will address the confusion surrounding the figure of €750 million equating to 6,000 houses. It is not intended that Home Building Finance Ireland will fully fund a house. It will contribute towards the cost of building a house because most builders will use some equity and will not rely entirely on borrowings. It will also allow for a combination of borrowings, not just borrowings from the fund. I hope that clarifies the matter because some Deputies may be slightly confused in that regard. HBFI is designed to fund different types, scales and prices of houses. It is an activation measure.

HBFI is one measure of many. In all of the debates on housing, most Deputies have understood that the problem will not be solved by one action. We all know there is no silver bullet. Every intervention we can make has an impact and that is what we are trying to do. Certain builders in certain sectors cannot get access to money at the right price. This means it is not viable for them to build as building a house would be too costly. We are trying to address that through this activation measure. It will not create costs for taxpayers because the money will be recouped at a market rate. It is a worthwhile exercise.

Naturally, we would have liked to implement the measure one week after it was announced in last year's budget. However, it was flagged at the time of the budget that it could be May of 2018 before it was implemented. I am conscious it is now July. It took longer than any of us had hoped but the measure is coming through the Houses and I hope it will be up and running in the months ahead. This fund will be another tool in the box to help people who want to build houses in all parts of the country.

As I stated, I did not hear all of the contributions but I will respond to some of those made while I was here. Deputy Fitzmaurice raised a couple of issues that are worth considering. As always, they were common-sense issues. Over the past two years, we have been trying to change processes, remove red tape, make it easier to build houses and change the system of delivering houses. The Rebuilding Ireland action plan is not only about building enough housing and homes. It is about re-establishing a sustainable housing and construction sector and setting out our plans for how much public, private and affordable housing we want to be built every year. We want to encourage people to invest in this area for the years ahead, to make it worthwhile for people to reassemble their construction teams and businesses and to encourage grandparents, parents and their children to acquire skills at all levels of education to enable them to work in construction. I mean all levels of education because in this country we often turn our backs on further education and training. Construction has much to offer, yet it is not often encouraged by grandparents and parents. Having sustainable construction rather than construction that gets out of hand encourages the belief that it is a safe sector to return to and in which to develop their skills, companies or business. Governments will come and go, but we are trying to plan for building a certain amount of housing every year for the next ten, 15 and

20 years and to keep output at a certain level.

While we are doing that, we should add a significant amount of social housing to our stock every year. The volume of social housing is low in this country compared with the rest of Europe. I will not go into the history of the issue but it is a fact. The commitment has been made and every party in this House agrees that, at a minimum, we need 10,000 new social houses per annum. That is the target we are trying to reach. In Rebuilding Ireland, we are committed to building 12,000 houses a year from 2021 onwards. When I speak on this issue, I emphasise that most Deputies of all parties support building at least 10,000 social housing units per annum. Even if Governments change, people now get that we are committed as a country to replenishing our social housing stock and keeping it at a certain level. At the same time, housing construction should reach between 28,000 and 30,000 houses per annum for the next 15 or 20 years because that is where we need to be to accommodate an increase of 600,000 in the population over the next 20 years. This also gives people confidence that it is safe to go into the construction sector.

There is still considerable capacity in the construction sector, which accounts for only 9% of gross domestic product, GDP. We would like that figure to increase to 13% or 14% but we do not want to return to a figure of 25% or more. That was not sustainable and we all knew it.

Deputy O’Keeffe made a point about the banks and he blamed Anglo Irish Bank. I will be honest in saying I believe the banks were not discouraged from engaging in certain lending practices and that was part of the problem. They were allowed to lend money recklessly to developers and people who wanted to buy a home. People were allowed to borrow four or five times their income, which did not help them. I know that Ministers were warned this practice would cause a problem but the deaf ear was turned and it was allowed to continue.

While we have difficulties with housing and people accessing the finance they need to buy their dream home, there is some control on the amounts people can borrow. That will help people in the future. They might not like it today but they will thank us in the future for not leaving them exposed because they were able to borrow to buy a house at too high a price. While these measures were introduced by the Central Bank, which is independent of the Government, policies are set by this House and we all buy into the approach taken on this issue. That was not the case in the past when banks were allowed to go wild. I do not only blame the banks because they were allowed to act as they did by the system, despite warnings. That left us in a position we do not want to be in again.

Deputy Fitzmaurice referred to different forms of housing. We want to fund different types of housing and construction, be it off-site in factories, modular homes or on-site with traditional build or the insulated concrete form, ICF, which was a project to which Deputy Fitzmaurice referred. It is a Lego-type house that is built with insulation and filled up with concrete. I built my house that way and it is quite common in Ireland. It is not just an American dream and can be done here quickly. What we are trying to do is give people access to money to fund different types and methods of construction, some of which are rapid and some of which are not.

Most of the delays, however, are not in the construction end. They are in getting onto the site, having the land or field developed, putting in infrastructure and getting through the planning process. I am often told that back in the 1930s and 1950s we built thousands of houses. While that is correct, there was no planning and procurement and very little effort to gain community involvement or acceptance. I am not even sure if Part 8 developments were allowed

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so it was much easier to build then. I am not saying it was right or wrong but the system gives everyone a say, which means it can be slow to navigate. We are trying to find quicker ways to navigate it to be able to produce houses.

This requires bringing people along on the journey and gaining acceptance of social housing, Traveller-specific housing, affordable housing and the need for integration. Not everyone wants that but it is the right thing to do and that is a journey we must travel. We are slow to do this in some cases. Some councils are slow to adapt to this need while others are quicker and are leading the way. From my point of view, the system has changed enough to show that there should be no more excuses. The money, the land and all the different tools are available to develop sites quickly. Local authorities have set their targets and plans and have been given funding. Confidence and people are back in the system and there is no reason we cannot now deliver the houses we need apace.

Housing is beginning to be built. I wish I could click my fingers and houses would be ready today but I cannot do that. The Central Statistics Office, CSO, which is independent of the Government, confirms that we are beginning to make progress. Up to 20,000 houses are in development. We know from the commencement notices in the past 12 months alone that more than 18,500 units have started. We know, independent of the Government, from the CSO figures, that an additional 15,000 new houses were built last year. In addition, more than 1,000 houses were finished in ghost estates that commenced years ago. They are also new houses. While they were not fully new starts, they are new houses in the system. There were also 2,600 more houses which were houses that were not in use for the past couple of years, they did not have an ESB connection and they are now back in the system. Some 18,000 houses are in play today that were not there last year. That is progress. I wish it was a lot more but we are moving in the right direction. This year, we should see more than 20,000 houses added into the system and next year I expect that we will be back at 24,000 or 25,000 houses.

We want to go beyond that again but we are making steady progress and by addressing housing supply and bringing houses into the system, we are helping to solve the housing shortage that affects people at different levels. It affects those who are renting and paying high rents, those who are waiting for social housing and in a crowded house at home and those in emergency accommodation, whether a hotel, bed and breakfast accommodation or a family hub where they do not want to be and most want to leave as quickly as they can. The supply of housing will help us to deal with all of that but in the meantime, while we are catching up with supply and intervening in many different areas through planning changes, financial changes and funding infrastructure, we have to provide better services for those who are homeless. That is what we are trying to do by spending taxpayers' money of nearly €120 million this year to provide these services and give homeless people access to some form of accommodation. It is not perfect and it is not the ideal place to be. It should only be temporary but we should make that journey a little bit easier than what it would have been a couple of years ago. That is where we are trying to focus funding. This money is part of the supply end. It is an activation measure, which will not fix the issue of housing for everybody. It is another tool in the box and if we keep implementing these measures and delivering more changes, it will help.

I thank all of the Deputies for their contributions and the support that has been offered to this important Bill. It is clear that we all share the important aim of increasing the supply of housing in the State. The availability of appropriate development finance for commercially viable residential purposes has been regularly identified as a key contributing factor for the ongoing shortfall in residential supply. It is not the only factor but it is an issue that is causing difficulty

for many and we have to try to address it. The establishment of HBFI will help remedy the shortfall by providing a much needed boost to the supply of funding for residential development around Ireland for those who need it and cannot get it and for those who make a good business case that they can manage and use it and get good value. HBFI's allocation of €750 million in funding will have the capacity to fund more than 6,000 homes in the coming years. It is not to fully fund those homes but to be part of their funding and to make them happen. It is estimated that this delivery could reduce the annual shortfall by about 10% over a three-year period. This would be a significant contribution but it would not make the HBFI a dominant player in the funding for residential development market as it would leave room for banks and other finance providers to increase their contribution to funding much needed residential development in the coming years.

A question was raised about credit unions making their money available. They do not have €9 billion available for housing. They have €9 billion in savings that they want to invest in different areas but not all in housing. They would like to invest €1 billion, maybe more, in housing. Like everybody else they will not put all their eggs in one basket. We should not keep on saying €9 billion. They have access to a lot of money. I have engaged with them. The system was changed to allow for that investment. We are trying to partner them up with approved housing bodies and others to make it happen and to get the interest they need on that money to make it worth their while and get it into housing. We do want their money. It is taking longer than I thought it would to get them onto that pitch but we have made a little progress since February and March. I hope we will see more projects that the credit unions are involved in. That will bring more competition and put more pressure on the banks and everybody else to play their part.

HBFI represents a unique opportunity for the State to leverage its existing resources to address one of the country's most pressing issues. Through NAMA the State has amassed considerable expertise in financing residential developments that have already delivered more than 7,200 new residential units. It is incumbent on the Government to make the best use of this available expertise in order to make a welcome and valuable intervention in the residential housing market. This is especially pertinent as NAMA approaches its planned dissolution in 2020 and the State is at risk of losing the valuable expertise it now possesses in this area. HBFI will be established as an independent company pursuant to the Companies Act with the Minister for Finance as the sole shareholder. This model has been successfully used by the Government in the past in establishing the Strategic Banking Corporation of Ireland, SBCI. As such HBFI will operate as an ordinary market operator and seek a commercial market equivalent return on its lending. This approach will not only protect taxpayers by ensuring that it is reimbursed for the risk it takes in funding development projects but it is also necessary in order to ensure that HBFI complies with EU state rules. I have heard some people say it is a bad use of taxpayers' money, that it will cost us money that we could spend elsewhere. It will not cost us money because it is cost neutral. We get a return on our money and it will cover its costs as well. It is to give access to money to people who cannot get it through the normal channels that would have been available in the past.

While some Deputies might call on this new agency to provide cheap or subsidised financing for developers, engaging in such discount lending would seriously jeopardise the effectiveness of HBFI's intervention in the market and would give rise to state aid issues. That would not be the best use of taxpayers' money. Our job is to activate and to help but taxpayers' money can be spent elsewhere. This is to cover its costs, to help but not to utilise taxpayers' money.

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We are trying to make it happen as best we can. Acting as a market operator will allow the HBFi to comply with these rules and focus its efforts on areas of the market that are not currently well serviced.

It is expected that this strategy will result in HBFi providing much needed funding to enable viable residential projects to get up and running in the areas that are not targeted by the main banks or alternative lenders in the market. While HBFi will be open to all applicants who meet its lending criteria it is envisaged that they will be small and medium-sized developers outside the major urban areas who will be the primary beneficiaries of this initiative. It is open to them all but the ones who have access to finance already will continue through their usual channels and those who see this as their best option will come forward and draw down the money.

The envisaged 20% equity requirement for access to HBFi lending is a significantly more manageable threshold for social developers to reach than the much higher equity requirements currently sought by the mainstream banks. A further unique feature of HBFi will be that it will provide funding to relatively small projects of ten units or more. HBFi will also seek to provide a transparent and standardised product which will allow these developers to engage easily with the agency and outreach programmes that are planned for later in the year to assist the application process. These features will enable the financing of some smaller developers which are struggling to access funding in the market, thereby supporting small business and facilitating the return to the market of some operators who have not had the opportunity to take advantage of the improving economic landscape in Ireland.

If we are to increase the scale of housing in all counties, in areas where it is needed, we will have to attract those operators back in, those who have the skills, who might be reluctant to step back into a market that burned them before. If we work carefully with them using proper business plans and building plans they can successfully come back into business here, make a decent return on their money and their time. It is not a question of creaming the profits. It is to deliver quality product.

Reference was made to the different types and quality of houses we build nowadays. A house built under today's regulations and with the certification process that is in place should not and would not compare to a house we built ten, 15 or 20 years ago. It is probably worth the extra cost because it is a totally different product, much cheaper to run, more efficient and environmentally friendly. Deputy O'Keeffe must recognise that too. That does involve additional cost at the start but there is a good reason for that. I have also heard people quoting figures for certification and the regulation amassing unnecessary red tape and costs. That is not the case. It is not necessary to spend between €20,000 and €30,000 just for the certification process. It is the extra work on the quality of the house that is costing the money not the necessary paper for the certification. People should analyse that if they have any doubts about it. I have met the companies in that business and it can be done quite affordably. I would disagree with anybody who thinks they are better off not having a certified house. It is worth the money to make sure a house is built properly and to a high standard. I have seen too many houses, and we have had debates about houses, of poor quality. The Oireachtas Joint Committee on Housing, Planning and Local Government did some good work on that too. It is important that we get quality houses, as affordable as we can make them but we do need quality.

A suggestion was made about having one design for social housing to be rolled out around the country. I can recognise the benefits of that from the points of view of cost and efficiency but it would not be right to have the one design or shape because we might want something dif-

ferent in Louth, Wicklow or Meath. We might argue over certain things but I think we all agree we might want different types of houses in different parts of the country. There is no reason, however, that we cannot have a similar type of specification for certain types of house and make it a bit easier to get a price and value. We are trying to do that and to standardise the process in the system. We are focussing now on how to move the house more quickly through all the processes in our Department and the local authorities.

Some Deputies raised the issue of affordability and there have been suggestions that the HBFI's intervention should be limited to schemes that produce low-cost housing only. Compliance with state aid rules requires that the HBFI fund projects as any other market operator would. While the agency will fund projects that deliver affordable or low-cost housing it cannot be selective about how it might achieve that. The banks, however, are controlling the amount they lend. People are restricted. They cannot go mad. They can generally only afford a house of a certain price. The builders we want to fund through this scheme will be delivering prices that the market can afford. They have to prove their business case, that they can sell the house. If houses are too costly they will not sell because there is a limit to what people can borrow based on what they earn. We are trying to develop products that will suit that market too.

In order to ensure state aid compliance HBFI will not be directly involved in development. Its role will be solely as a commercial lender and therefore it will not have any role in designing the housing mix contained in the schemes it funds. It will judge their viability but it will not design them. HBFI will provide lending on commercial market equivalent terms and conditions and its approach will be akin to that of any bank or private investor providing this form of funding. As a result HBFI will not have targets for social or affordable housing but will make a significant contribution to supporting the delivery of additional supply of all types of residential housing in the coming years. Its focus will be on supply. Our job is to dictate on affordable levels, social housing and the mix. We are trying to convince all involved in housing, certainly from the local authority point of view, to focus on getting a supply of housing, then we can measure the number that should be affordable, social and private. We have to get the houses up and running.

When we have a conversation around our State land bank, we should think about the supply of houses and work out site by site what is needed when it comes to the mix of social versus affordable versus private housing.

It is also worth highlighting that any residential development that the HBFI will finance will be subject to Part V of the Planning and Development Act 2000. As such, it is expected that a minimum of 10% of anticipated output of this investment by the HBFI will become available for social housing through the statutory mechanism. That 10% is a minimum. We see many sites coming through now which are going above that. The owners of these sites and the people who want to build on them are looking for them to be de-risked and are happy to have the State take more than the 10% minimum, and we are happy to engage in that. We have asked the local authorities to engage on those sites also. Apart from using our own private landbank, we will engage with people who genuinely want to contribute housing to our system at good value and a good price. There will be engagement regarding the percentage, it is not set in stone but is a minimum of 10%. We will encourage many of those sites to deliver much more than that.

It is important also to remember that the Government's primary response to current issues in the housing market is contained in Rebuilding Ireland. It is our five-year action plan for housing. We are in year two of it. It has made many important interventions. It has changed

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the system when it comes to delivery. Many more houses are coming on stream, although not as much as I or any of us would like to enable us to address the emergency nature of the housing issue. Last year, an additional 7,000 social houses came into the system. They were not all brand new or directly built by the local authorities but they are available to house families and were not in the system a year ago. This year we will see close to 8,000 new additional social houses coming into the system. They were not in the system last year and are now available to provide homes for people who badly need them. On top of that, we have another 17,000 or 18,000 solutions through current housing measures such as the housing assistance payment scheme and rent assistance. They are important interventions also but I recognise they are not permanent social housing stock. We are getting to the stage where we will be delivering 10,000 social houses every year before we come to the end of period covered by Rebuilding Ireland and we will be delivering 12,000 social housing a year after that period.

Home Building Finance Ireland is only one part of the Action Plan for Housing and Homelessness. Through that action plan, a suite of measures has been implemented to facilitate increased residential construction activity and to ensure the sector's capacity to produce more affordable homes. These measures include the introduction of fast-track planning reforms and more flexible planning guidelines, a €200 million capital investment and enabling infrastructure to open up housing lands, as well as the progression of large-scale mixed tenure housing projects for social, affordable, private housing and publicly owned lands. I would like to see progress on those sites move even quicker. We saw some progress yesterday in O'Devaney Gardens where the Minister turned the sod to start that project. We need those sites to deliver houses even quicker. Part of my job with the housing delivery unit in our Department, on behalf of the Minister, Deputy Eoghan Murphy, is to drive that activity and instil some pace and urgency in it. I recognise the support we have received from many of the political parties in this House and at council level in that drive.

It has taken us two years to get to this stage and we now need to crack on and build on what we have done during the past two years. People often say the Action Plan for Housing and Homelessness is not delivering and ask where the proof of its delivery is. We are in year two of that action plan. I remember the same question was asked in year two of the Action Plan for Jobs. People told me it was not delivering and asked where the jobs were. That question was not being asked in years three, four and five of that action plan because people could see that jobs had been delivered. Sometimes it takes a few years to change the system, to put in the foundations and build the houses. We cannot click our fingers and suddenly a house will appear. The site must be serviced, the infrastructure must be delivered and the house must be built. That is now happening. People can see that 20,000 houses are being built around the country. People will be living in them at the end of this year and into next year. Those houses were not in the system last year.

Deputy O'Dowd was right in saying it is not true to say that nothing is happening and no houses are being built. They are being built and people can see them. The Central Statistics Office, CSO, which we all trust and refer to every day of the week, is confirming they are being built. I hope people will move on from that argument. We can argue that there is not enough of them but that is a different story.

We are not saying there are not thousands of people living in emergency accommodation who should not be there. It is not a proper place to be living. There are nearly 4,000 children living in emergency accommodation. Nobody wants that or will be satisfied until that is brought to an end and we ensure all those people are accommodated in homes. We will contin-

ue to deal with that. We will work through the system using a combination of new social houses and rented houses. We have to rely on the private sector for a period until we build up our own supply and with all our efforts we will be able to do with that also. That involves changing and reviewing certain practices. There is something wrong if we have people living in emergency accommodation who refuse housing assistance payment housing and who would rather live in a hotel than in a house. That might mean that we need to reconsider that policy but it does not mean that the housing assistance payment scheme is wrong because 37,000 people are living in HAP tenancies and the majority of them are quite happy. Some have had a bad experience but a perception has developed about HAP housing, which is causing probably hundreds of families to refuse a HAP house. We need to work on that policy intervention and build trust in the scheme. There is no place better than a house for a family to be living. If it is one's permanent home that is great, but if it cannot be one's permanent home, a rented house in the short term is much better than living in emergency accommodation. That is not an appropriate place in which to be living with a family. We are working with that system. As I said initially, while we are waiting to get somebody a permanent house, we will try to make their journey a little bit better in the meantime, be they in temporary accommodation or emergency accommodation.

The HBFi is another tool in the box and will help to deliver houses. It is not a magic wand or a silver bullet. There are many silver bullets and we need them all. Thankfully, supply and the trends are beginning to go in the right direction. We need to build on that and, hopefully, we will not have the housing crisis the housing authorities have to deal with today in the years ahead. We do not want people to be paying too much for a house or for rent or living in emergency accommodation. Nobody wants that.

Question put and agreed to.

### **Home Building Finance Ireland Bill 2018: Referral to Select Committee**

**Minister of State at the Department of Housing, Planning and Local Government (Deputy Damien English):** I move:

That the Bill be referred to the Select Committee on Finance, Public Expenditure and Reform, and Taoiseach pursuant to Standing Orders 84A(3)(a) and 149(1).

Question put and agreed to.

### **Planning and Development (Amendment) Bill 2016: From the Seanad**

The Dáil went into Committee to consider amendments from the Seanad.

**Minister of State at the Department of Housing, Planning and Local Government (Deputy Damien English):** This Bill has been a few years going through this House. I thank everybody for giving of their time tonight, and probably tomorrow and later next week, to deal with this Bill. I am pleased we are here discussing the amendments to this Bill, which was initiated in this House in January 2016. It predated my time in this Department.

Everybody in the House is familiar with the purpose and the provisions of the Bill and, therefore, I will not go into great detail in that regard except to underline that the primary pur-

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pose of this Bill is to give legislative effect to key planning recommendations of the Mahon tribunal report, including the establishment of a new independent office of the planning regulator and placing the new national planning framework on a statutory footing. The Bill also provides for other updates to the Planning and Development Act 2000, as amended, to deliver greater transparency, efficiency and integrity in the planning system, including giving legislative effect to all other planning-related recommendations of the Mahon tribunal report.

As the Bill was originally published in January 2016, it is at this stage important that it be enacted as urgently as possible to give legal effect to various provisions and, in particular, to facilitate the establishment of the office of the planning regulator.

The Bill concluded its passage through the Seanad in June 2018 and today we have 82 amendments that we are bring back to this House. Of those 77 are Government amendments. Our intention is that the overall Bill will strengthen our planning system by implementing them. There are also five non-Government amendments and we are not recommending that we accept all of those, but that we would accept perhaps one of them and change the other ones, if possible.

**An Ceann Comhairle:** Amendments Nos. 1 to 3, inclusive, Nos. 5 to 7, inclusive, Nos. 14, 17, 19, 22, 24, 27 and 78 and Nos. 80 to 82, inclusive, are related and may be discussed together.

Seanad Amendment No. 1

Section 1: In page 5, lines 21 to 23 deleted and the following substituted:

“(2) This Act, other than Part 4 and Schedule 3 at reference numbers 12 to 18, and the Planning and Development Acts 2000 to 2017 may be cited together as the *Planning and Development Acts 2000 to 2018* and shall be construed together as one.”.

**Deputy Damien English:** Amendment No. 1 relates to section 1, which contains the standard provisions relating to the Short Title, the collective citation and the construction and commencement of the Act. Given that the Bill was initiated in early 2016 with the expectation that it would progress more quickly than it has, the standard collective citation requires updating and it is also necessary to indicate that this Bill, when enacted, and the Planning and Development Acts 2000 to 2018 may be read together as one. This is a very minor amendment of an administrative nature.

The remainder of this grouping of amendment, which contains 15 amendments in total, are all administrative in nature. This grouping collating various amendments, including further amendments regarding the citation of the principal Act, updates to the Minister’s title and the Department’s name, both of which have changed since the Bill was initiated, as well as correcting an almost insignificant drafting error.

Seanad amendment agreed to.

Seanad amendment No. 2:

Section 2: In page 6, line 3 deleted and the following substituted:

““Minister” means Minister for Housing, Planning and Local Government;”.

Seanad amendment agreed to.

Seanad amendment No. 3:

Section 4: In page 8, line 34, to delete “and”.

Seanad amendment agreed to.

**An Ceann Comhairle:** Amendments Nos. 4, 61, 77 and 79 are related and may be discussed together.

Seanad amendment No. 4:

Section 4: In page 9, to delete lines 3 and 4 and substitute following:

“(v) in so far as relates to planning matters to which paragraph (f) relates,  
and

(j) to evaluate and assess strategic transport plans made by the National Transport Authority in accordance with section 12 of the Dublin Transport Authority Act 2008 and to issue a notice as provided for by subsection (10) of that section.”.

**Deputy Damien English:** I propose to take amendments Nos. 4, 61, 77 and 79 together.

This group of four amendments arose from amendments originally proposed by Fianna Fáil during deliberations on the Bill in the Dáil, which should not be accepted as drafted, but to which I was open. Following the examination of the wording of the Fianna Fáil amendments it was agreed that the planning regulator should have a role in evaluating transport strategies and ensuring that the transport strategy complements wider strategic planning.

Accordingly, consultations took place with the Department of Transport, Tourism and Sport. Agreement was reached that the proposed role of the planning regulator would best be incorporated as a specific function in the Planning and Development Acts and the existing framework of the Dublin Transport Authority Act 2008.

It is proposed to give the planning regulator a specific function to evaluate and assess strategic transport plans made by the National Transport Authority, which is in line with the original Fianna Fáil proposal.

These amendments will make the planning regulator a statutory consultee in respect of strategic transport plans, within the provisions of the 2008 Act, and the regulator will have a role to advise on whether or not the draft plan is consistent with planning policy and with the goals and strategies set out in the national planning framework, and make recommendations for any amendments required.

**Deputy Michael Fitzmaurice:** The Minister of State referred to the Ireland 2040 plan. I do not have an objection to a planning regulator. We are aware of the housing targets in each part of the State but there is a fear, once a planning regulator is in place, that most of the houses in Leitrim, for example, would be built in Carrick-on-Shannon and there would be quotas in each area in the Border, midlands and west region. Leinster and Munster and so on would have their own quotas. Perhaps the Minister of State will clarify this. Will the legislation provide for the urban areas to take the bulk and if this is used up will it leave the rural areas in trouble with

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regard to housing? I understand this is being written in the Department currently. I am open to correction on this. I am just saying what I have been told. I have heard that it will be announced in the coming weeks. Under the 2040 strategy it would affect the future of rural housing.

**Deputy Pat Casey:** I acknowledge the work by the Government and the Department on Fianna Fáil's initial amendment over the last number of years: it has nearly been too long at this stage. It stemmed from frustration felt at local level that it always seemed the National Transport Authority was the leading and driving force, and not the county development plans or the spatial strategies. In fairness, many of the National Transport Authority policies did not even acknowledge the county development plans. With the establishment of the office of the planning regulator with a complete oversight of planning, Fianna Fáil felt that it was necessary for the office of the planning regulator to have oversight of transport planning policy, because they are integrated into the whole planning process.

I thank the Minister of State, the Government and the officials for working with us on the amendment on transportation.

**Deputy Danny Healy-Rae:** Deputy Michael Fitzmaurice has asked for clarity on what the Government means in its 2040 plan. The plan says that one-off housing may still be built if it does not detract from urban centres. People need clarity on this. As Deputy Fitzmaurice said, the interpretation is that if so many houses are to be built in a county then urban areas may use the bulk of the allocation. Where will this leave people with their own sites in rural areas? Where will it leave rural Ireland? It would be devastated worse than it is currently.

This has already manifested itself in Kerry. A couple was granted planning permission by Kerry County Council. Lo and behold, one of the serial objectors who has caused mayhem right around the country appealed the decision to An Bord Pleanála. After due time the planning permission was turned down on the grounds that the applicants lived too far from their place of work, which was 6 km away.

Members are aware that farming for many today is part-time and people have to travel some 20, 40 or 50 miles to teaching jobs and to different kinds of work. This is the nature of employment. One has to travel to go to work today. I hope the policy will not deny people who get some or a greater part of their income in one area from living in the rural area where they were brought up. This is the fabric of their lives - where their parents are and on their own farms. They may want to be near their parents to see after them in their twilight years. Grandparents often have a great input with grandchildren. They could be the minders of the grandchildren while the parents are trying to secure an income to supplement or maintain the household as a viable unit. I hope the Government is not going to try to change this. The word is that this is what the Government is trying to do with this plan.

What direction has the Government or the Department given to the local authorities? Will this planning regulator supersede our county development plans, which our local authority members have worked so hard on to put together? They put a great amount of effort into those plans over the years and the decades. The elected local authority members' views were adhered to in the subsequent county development plans. Will the new planning regulator have a superior role to or supersede the county manager? Time will tell, but Ireland has not had a good result from regulators up to now. The energy regulator has ensured the gas project in north Kerry has remained at standstill for many years.

**An Ceann Comhairle:** We are discussing planning Deputy. Do not worry about other regulators.

**Deputy Danny Healy-Rae:** I am just giving an example. Where did the financial regulator leave us? He was asleep at the wheel. This is why Ireland is in the state it is and why the generations to come will pay for his inadequacy. He did not ensure that regulations were adhered to by the banks. He was asleep.

**An Ceann Comhairle:** We will all be asleep if the Deputy does not get on with discussing this legislation.

**Deputy Bríd Smith:** I thank the Ceann Comhairle.

**Deputy Fergus O'Dowd:** Some of us would be going back to sleep.

**Deputy Danny Healy-Rae:** That is fine. I hope I do not fall asleep because there is a lot-----

**An Ceann Comhairle:** I would fully trust the Deputy to keep going all night.

**Deputy Danny Healy-Rae:** Planning permission is important for people who just want to put a roof over their heads. They are not looking for money or handouts, they just want to be allowed to build houses for themselves. The Taoiseach, who was the Minister with responsibility for the environment in 2012, signed an order ensuring that the then National Roads Authority could not grant permission for new houses on national secondary roads. We accept that national primary roads are a no-no, but five families along the national secondary road from Killarney to Barraduff were stopped from building houses for themselves on sites with existing entrances all because of a document signed by the Taoiseach when he was Minister for the Environment, Community and Local Government in 2012. One of the five families had to buy a house in Killarney town despite having a site. Four more are still in a quandary and denied planning permission. Why is that not-----

**An Ceann Comhairle:** I do not want the Deputy to have to correct the record, but I do not believe that the current Taoiseach ever served as Minister for the environment.

**Deputy Damien English:** No.

**Deputy Danny Healy-Rae:** Whatever Minister he was,-----

**Deputy Damien English:** Transport.

**An Ceann Comhairle:** He was the Minister for Transport, Tourism and Sport.

**Deputy Danny Healy-Rae:** -----he signed it. I am sure about that. I am sorry.

**An Ceann Comhairle:** The Deputy is all right.

**Deputy Danny Healy-Rae:** He was the Minister for Transport, Tourism and Sport. I have been asking in many forums to have the order and the reasons behind it reviewed. It is the straightest road-----

**An Ceann Comhairle:** I am sorry. I absolutely respect the Deputy's desire to talk about all of these very important matters for Kerry, but we are debating four Seanad amendments - Nos. 4, 61, 77 and 79 - and we have to focus our contributions on those. I do not want to be awkward,

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but it is on those matters that we need to focus our attention.

**Deputy Danny Healy-Rae:** All right. I will speak again later if I am allowed.

**An Ceann Comhairle:** The Deputy is very good. I thank him. Who is next?

**Deputy Damien English:** Does the Ceann Comhairle want me to bring some clarification to this?

**An Ceann Comhairle:** No, I do not. At least, not until we have heard everyone else. Otherwise, the Minister of State will not be able to contribute later.

**Deputy Catherine Murphy:** It is only right that, instead of a fragmented approach, we take an approach where land use and transportation planning are linked. The lack of a connection previously led to considerable congestion that could have been planned for better. It is important that the national planning framework and the national development plan are to be related to each other.

I may not be a fan of the idea of the planning regulator being subservient to the Minister, but it is valid that the regulator be a notified party to strategic transport plans. I support the amendments from that point of view.

**An Ceann Comhairle:** I call Deputy Ó Broin.

**Deputy Eoin Ó Broin:** I am okay. The Ceann Comhairle made my point.

**Deputy Michael Collins:** I welcome the opportunity to contribute to the debate on the Bill. This amendment proposes to establish an office, to be known as the “Office of the Planning Regulator”, which will have certain duties. We undoubtedly need more transparency and efficiency in our planning system. I am inundated with constituents in west Cork coming to me looking for help because they have been turned down for planning. They have been caught in a trap. Good, honest, hard-working couples cannot get planning permission and are failing to get into the property market. Many have applied for planning permission on their parents’ land. One would think the Government would welcome the idea of people wanting to remain in rural Ireland, given the significant positive economic benefits it would have. Time and again, I have spoken about how we need to protect rural Ireland and the people who live there. The people who are raised in rural Ireland should be entitled to planning permission on their parents’ land. We constantly discuss our ageing population, but we need to be realistic: if a son or daughter cannot obtain planning permission at his or her own home place, how are we going to protect our ageing population and those who wish to remain in their own homes? In fairness, many planners are co-operative, but the odd one here and there makes life difficult. We have found the main issue to be with getting a pre-planning meeting, where someone sits down with a young couple trying to start out in life to go through the process and reach agreement, before those young people start spending thousands of euro, which is only fair.

I know of a situation in west Cork involving a young man who got a farm from his family. After he had cattle on it and a tractor in his shed, he was told by the planner that he did not have cattle, a tractor or a shed. Who is giving that person that type of information? It was wrong. All the young man wanted was for the lady to sit into her car and drive to the farm so that he could show her all three. The tractor was in the shed and the cattle were in the field. When common sense goes out the window, it is easy to refuse and refuse, which makes it difficult for the senior

officials - some of the ones we work with are extremely co-operative, fair and honest - who have to try to overturn such decisions.

This Bill promises to implement planning-related recommendations such as the national planning framework. During the negotiations on the programme for Government, I spoke at length about the regeneration programme for small rural towns and villages and the ability to rebuild those that have been decimated by emigration, for example, places in west Cork like Ballineen, Eyeries, Goleen, Kilcrohane, Kealkill, Timoleague, Durrus, Drimoleague, Ballydehob and Schull to name a few. Will we ever see a regeneration programme rolled out in west Cork?

While we are discussing planning, let me tell the Minister of State about kelp planning. The mechanical harvesting of kelp-----

**An Ceann Comhairle:** The Lord God, the Deputy is-----

**Deputy Michael Collins:** Mother of God, give me one chance. The licence-----

**An Ceann Comhairle:** -----really stretching it now.

**Deputy Michael Collins:** It is a planning issue. In 2009-----

**Deputy Damien English:** It is not.

**An Ceann Comhairle:** It is not a planning issue as it relates to the Bill.

**Deputy Eoin Ó Broin:** It is not in the legislation.

**Deputy Michael Collins:** I know, but-----

**An Ceann Comhairle:** The Deputy's passion for that particular matter is well established in the House.

**Deputy Michael Collins:** The problem is-----

**Deputy Danny Healy-Rae:** There is no one listening.

**Deputy Michael Collins:** The mechanical harvesting is going to go ahead on 1,860 acres. The notice posted at the time was unfair to the public. The Minister could have revoked the licence. We need a planning regulator to ensure something can be done. What about all of the people with solar farms? There is no planning regulation in that regard. Anyone can set up a solar farm beside a next door neighbour.

**Deputy Damien English:** People have to get planning permission.

**Deputy Michael Collins:** But there is no regulation after they apply for permission.

**Deputy Damien English:** They have to get planning permission.

**Deputy Michael Collins:** Are there planning regulations for solar farms? I have asked Minister after Minister.

**Deputy Danny Healy-Rae:** No planning permission is needed for them.

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**Deputy Michael Collins:** No. Drive on and build away beside the next door neighbour. People can cause whatever disruptions they want. There is no understanding whatsoever.

**An Ceann Comhairle:** Will we go to the Minister of State to find out?

**Deputy Michael Collins:** Give me one chance to discuss the kelp, a Cheann Comhairle. The Minister can revoke the licence for the people of Bantry and the 1,860 acres. In the US, 4 July is Independence Day. God bless the people of America, but it was doomsday for the people of Bantry because the company in question will proceed. It has said that it does not care about court orders or any other order. It is a law unto itself. It is being backed behind the scenes, but the Minister can stop it and revoke the licence under condition 12.2.

**An Ceann Comhairle:** The Deputy has strayed away from the amendments that are before us. Can he-----

**Deputy Michael Collins:** Sorry. We must ensure that this Bill protects the people of rural Ireland and provides greater transparency and efficiency in planning matters. I thank the Ceann Comhairle for his indulgence.

**An Ceann Comhairle:** Does Deputy Mattie McGrath feel compelled to contribute on this matter?

**Deputy Mattie McGrath:** I do. I will be brief. My apologies for not being present for the start of the debate. The Bill is necessary if we are to tidy up the agencies and ensure they are aware of issues. There are too many agencies, they are not working in unison and they are not cognisant of what is happening elsewhere. For example, the amendment reads: "... the National Transport Authority in accordance with section 12 of the Dublin Transport Authority Act 2008 and to issue a notice as provided for by subsection (10)". There are too many solo runs and not enough joined-up thinking from agencies. I welcome that an effort is being made through the establishment of a regulator, of whom the agencies will have to be cognisant. However, I have concerns about many regulators, given what is happening across a plethora of regulated agencies. ESB prices are increasing, leaving one to wonder once again where its regulator is. What teeth and powers will this regulator have and how effective will it be? I hope that it will be, given the importance of having a national transport strategy, necessary infrastructure and so on while also having regard to other planning issues. I look forward to the Minister of State's reply and engaging with this. Will the functions and their implementation be toothless, useless and fruitless as many other regulators are?

**Deputy Danny Healy-Rae:** Make sure there is someone in charge of the regulators.

**An Ceann Comhairle:** I ask the Minister of State to respond briefly.

**Deputy Damien English:** I will be as quick as I can. Most of the questions are not related to the amendments being discussed so I will move on.

**Deputy Eoin Ó Broin:** Really?

**An Ceann Comhairle:** We noticed that.

**Deputy Pat Casey:** Stick with the answers relating to the amendments otherwise we will be here all night.

**An Ceann Comhairle:** I ask the Minister of State to address the amendments.

**Deputy Damien English:** It is important that we stop a message from going out that is not true.

**An Ceann Comhairle:** If the Minister of State is let off in the wrong direction, we will be here for a very long time.

**Deputy Damien English:** I certainly cannot have everybody else going off in another direction either.

**An Ceann Comhairle:** Fair enough.

**Deputy Damien English:** It would not be true or fair and it would not affect the policy of anyone in here. To be clear, Project Ireland 2040 does not stop anybody from building a one-off house in the country. I cannot be clearer than that.

**Deputy Mattie McGrath:** It can.

**Deputy Damien English:** It encourages proper development in all our towns and villages, and tries to encourage more people to live outside the pressure zones, and to live in the other regions, which one wants to see developed. We recognise that people need a choice. Some want to live in one-off houses. Some would like to live in a village or town. If planned and constructed properly, using Project Ireland 2040, one can plan nicer and better towns, and give people the option and choice to live in a village or town. If they want to live in a one-off house, that is facilitated too. There is no cap on that or confusion. It is asked in the regional plans that when population predictions are planned for in counties under this Bill, the number of houses that are going to be built are counted and one-off houses are allowed for. With regard to the notion that this Government or any Government is stopping one-off houses, thousands of one-off houses are built every year in this country. Some years it is up to 6,000. Please do not tell me that we do not allow one-off houses. It is not true. There are restrictions in some areas with regard to people's safety, and rightly so. If one proves that it is safe and that one needs to live on or farm that land, one generally gets the planning permission. There are reasons that there are restrictions. Roads and national roads can be dangerous places to be or to have entrances. There is a reason for it but there are ways of doing that.

With regard to the planning of an area and people wanting to live in areas, Deputy Michael Collins spoke about re-energising and renewing towns and villages. People have to have a reason to live there, which means having a job, which means companies need to be allowed to be there. Companies that want to work in and develop rural Ireland are objected to. That does not help rural Ireland. It is about the combination of planning for houses, industry and companies. All of that together, worked right and planned, helps rural Ireland. It is a two-way process. People object to different things, not always houses. They object to other things too. Bear that in mind. The kelp issue was raised again. I would be happy to sit down and go through this with Deputy Collins. I did not grant the licence. I had a role relating to the conditions of that. I take that role very seriously, as does my Department, and we made some very strong conditions there relating to the monitoring of that. It is now in front of the courts which will do their job too. Sometimes Deputy Collins portrays a different reality here from what happened. It was granted ten years ago. The planning laws are updated on a regular basis. Since that planning decision was made, planning laws have changed and things will be different for the next applications but it was granted at that time. This Bill is to update the planning laws. Please do not try

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to paint me in a certain light for doing my job quite seriously. It is a role I take very importantly.

**Deputy Michael Collins:** I met the group. It tried for a year and a half and the Minister of State refused to meet them.

**An Ceann Comhairle:** No, Deputy Collins. Please let the Minister of State answer.

**Deputy Michael Collins:** Do not mislead the Dáil. It is on the record.

**Deputy Damien English:** I would be very happy to discuss it with the Deputy and go through all of that. With regard to one-off housing, this legislation probably came a little late for the planning framework development for Project Ireland 2040. We tried to honour the spirit of the law. We discussed it in this House and at committees, including the Joint Committee on Rural and Community Development and the Joint Committee on Housing, Planning and Local Government. We discussed at length the issue of one-off housing. If one takes a particular year in Galway, 77% of the houses built in Galway in one year were one-off houses. That is not sustainable and it is not good for rural Ireland. It is about allowing the people who want to build and have a right to build their houses but one cannot have it for every building in the country because that would not protect the country or make it sustainable. This is about getting the balance right. That is what we are trying to do. That discussion was separate from this. I want to clarify that we are not capping or restricting one-off housing in rural Ireland. We changed the wording to reflect the necessity for economic needs and social needs to continue building one-off housing. Members of this House and councillors requested that we change that wording and we clearly changed it. Please do not misinterpret what is in Project Ireland 2040.

Seanad amendment agreed to.

Seanad amendment No. 5:

Section 4: In page 9, line 16, to delete “Planning and Development Acts 2000 to 2015” and substitute “Planning and Development Acts 2000 to 2018”.

Seanad amendment agreed to.

Seanad amendment No. 6:

Section 4: In page 9, line 22, to delete “Planning and Development Acts 2000 to 2015” and substitute “Planning and Development Acts 2000 to 2018”.

Seanad amendment agreed to.

Seanad amendment No. 7:

Section 4: In page 12, line 35, to delete “Planning and Development Acts 2000 to 2015” and substitute “Planning and Development Acts 2000 to 2018”.

Seanad amendment agreed to.

**An Ceann Comhairle:** Amendments Nos. 8 to 11, inclusive, are related and will be discussed together.

Seanad amendment No. 8:

Section 4: In page 13, to delete lines 6 to 9 and substitute the following:

**“31W.** (1) Subject to this section, the Planning Regulator shall be appointed by the Minister and shall hold office upon and subject to such terms and conditions (including terms and conditions relating to remuneration and superannuation) as the Minister may determine with the consent of the Minister for Public Expenditure and Reform.”.

**Deputy Damien English:** These amendments address section 31AA and section 31AC of the Bill and will provide that the staff will be civil servants in the Civil Service of the State. Having examined the matter further since the Bill was initiated, it is clear that there are likely savings to be made through the use of shared services for areas such as payroll, human resources and IT, which can be accessed if the office of the planning regulator staff are employed as civil servants. Providing that the staff of the office shall be civil servants will also enable speedier recruitment of staff through the Public Appointments Service and access to panels from open competitions, as well as ease of staff secondment in the initial phases of the set-up, which will facilitate getting the office up and running in a shorter timeframe. This amendment does not affect the independence of the regulator, which is already clearly provided for in section 31R.

Seanad amendment agreed to.

Seanad amendment No. 9:

Section 4: In page 16, to delete lines 7 to 14.

Seanad amendment agreed to.

Seanad amendment No. 10:

Section 4: In page 16, line 38, to delete “under section 31AC or otherwise.”

Seanad amendment agreed to.

Seanad amendment No. 11:

Section 4: In page 17, to delete lines 6 to 43, and in page 18, to delete lines 1 to 7 and substitute the following:

**“Members of staff of Office to be civil servants**

**31AC.** A member of the staff of the Office of the Planning Regulator shall be a civil servant (within the meaning of the Civil Service Regulation Act 1956) in the Civil Service of the State.”.

Seanad amendment agreed to.

**An Ceann Comhairle:** Seanad amendments Nos. 12, 13, 15, 16, 18, 20, 21, 23, 25, 26, 28, 33, 37, 39, 40, 43 and 44 are related and will be discussed together.

Seanad amendment No. 12:

Section 4: In page 22, lines 2 and 3, to delete “provision of statutory observations or submissions” and substitute “provision of observations, submissions or recommendations in accordance with this Act”.

**Deputy Damien English:** This group will amend sections 10, 12, 13, 20, 38 and 31 of the principal Act, as well as amending sections 31AL, 31AM, 31AN, 31AP and 31AR in the Bill.

These amendments are proposed to strengthen the provisions in the principal Act relating to the adoption and derogation of statutory plans, that is, local authority development plans and local area plans, as well as regional, spatial and economic strategies. These amendments relate directly to the proposed establishment of the office of the planning regulator pursuant to this Bill and to the powers of the Minister to issue directions based on a failure by a planning authority to implement a recommendation made by the regulator or a recommendation made by the Minister prior to the establishment of the office of the planning regulator. The effectiveness of the regulator will be much stronger as a result of these amendments. Under the existing provisions of the Planning and Development Act, when adopting or varying statutory plans, in addition to setting out the usual objectives regarding zoning, etc., local authorities are required to take sufficient account of the proper planning and sustainable development of the area, the statutory obligations of the local authority and any relevant policies or objectives for the time being of the Government or any Minister.

The existing wording, which obliges the taking of sufficient account by authorities with regard to certain requirements, can give rise to issues where, for example, elected members do not necessarily implement the spirit of such requirements in the final adopted version of the plan. In such instances, these requirements will have been recommended to the planning authority in submissions by the Minister following his review of the draft plan, a function which is to pass to the regulator upon establishment. Consequently, the provisions in this regard need to be strengthened to clarify the need for statutory development plans to implement as distinct to taking sufficient account of national and regional planning objectives, all of which have been the subject of specific recommendations from the regulator to the planning authority. These changes require a number of consequential amendments to the existing provisions of the Planning and Development Act, including amendments to ensure compliance with strategic, environmental and appropriate assessment requirements. The ultimate effect will be to require local elected members of local authorities and regional assemblies to more fully incorporate and respect national policies and objectives in the final adoption or variation of statute development plans.

Since the question was asked, it is the gift of local authority members to pass and adopt their county development plan. That is what local authorities are elected to do among many other things. When doing that, they have to respect national planning guidance and guidelines. We are asking them here to respect them. It will be the job of the regulator to oversee that and do it with some clarity.

**Deputy Eoin Ó Broin:** I oppose amendments Nos. 18, 23 and 28. I have a couple of contextual points. I will repeat my central criticism of the Bill that I have been making since we first debated it almost two years ago, that the way in which the planning regulator is designed and would be set up in this Bill is absolutely contrary to the spirit and to the letter of the Mahon tribunal recommendation. Mahon was crystal clear that he wanted to see an end to the over-concentration and over-centralisation of planning powers, particularly within the Department and in the hands of the Minister. He wanted to see a range of those powers transferred to an independent regulator, whose office would not just be responsible for investigating but also then responding and enforcing. The fact that this Bill is such a departure from Mahon confirms what one other Deputy said, that we are creating another regulator which while providing a variety of valuable functions will not have the core power and responsibilities that Mahon recommended.

I was very disappointed to see a number of very substantial changes to planning legislation introduced on Report Stage in the Seanad. These are amendments that we will come to later on but they also relate to these three in front of us. These were amendments that have nothing to

do with the core functions of the Bill as originally proposed. They make a series of profound changes in a number of ways to planning powers. We will debate them as we go through them. Once again, they run contrary to the letter and spirit of the Mahon tribunal recommendation in that they further concentrate and centralise power in the hands of the Minister.

This is said with no disrespect to the hard working staff in the planning section of the Department but I wonder if there is a competition between the rental section and the planning section of the Department of Housing, Planning and Local Government as to which one can keep us here latest into the night at the very end of Dáil sessions, dealing with very significant complex legislation without giving us adequate time to respond. Some of the things we are going to be dealing with here should have been dealt with on Committee Stage or Report Stage in the Dáil. Failing that, they should have been dealt with on Committee Stage in the Seanad but they were not. They were dropped in at a very late stage to the Seanad, namely, on Report Stage. They are not central to the core of the Bill. I think that is unfortunate and I just want to put it on record.

I have one big fear in terms of these three specific amendments. I accept that local authorities and elected members must have due regard to national policy. There is no question about that, but first, rather than an independent planning regulator ensuring that that is adhered to, this power is given to the Minister. I do not accept that is an appropriate location for that power. There is also no appeal mechanism for the elected members who might take a different view of the Minister's interpretation of the interaction between central Government planning policy and the democratic rights of elected members, in particular in terms of the debate on whether local authorities can exceed minimum standards or improve on the standards that are provided. I think these three amendments - Nos. 18, 23 and 28 - are very poor. They give far too much power to the Minister. They undermine local democracy. There is no appeals mechanism. They are the grounds on which I oppose the three amendments.

**Deputy Catherine Murphy:** I have very similar concerns and I echo what was said about the process that has been followed in the Seanad in terms of introducing some of the amendments at a very late stage. If one gets a process wrong, very often one gets a poor outcome. I do not know how many times we have talked about that here. Sometimes we have had to come back and amend things later on.

We have had experience in Kildare of directions being issued by the Department. Essentially, it was at the transition stage between the regional planning guidelines and the new national planning framework, which fundamentally shifted things, yet the directions were made based on the previous regional guidelines. A substantial amount of rezoning was sought in Kildare up to 2024. The expectation was that there would be an additional population of up to 80,000. That has been changed with the national planning framework where the focus of attention is far more on city centres and higher densities. I supported some of that, and I took such an approach as far back as the early 1990s when it was considered in the context of the Dublin transportation initiative which took in areas outside of Dublin as well.

In the case of Kildare, both Celbridge and Leixlip were affected by zoning and a direction was given about Celbridge. All of the councillors, bar one, were in agreement, and the community was at one with the councillors. It was exactly what local representation should be. There were high levels of consultation. The direction was subsequently judicially reviewed and the community's position was vindicated. The development sought by councillors on a piece of land belonging to a developer was confirmed. The courts upheld the original decision. When

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it happened it made one realise just how demoralising it was given the serious attempt at local level to deal with the development plan. There was a very sizeable amount of land zoned in the local area plan and two sites ended up being judicially reviewed. Local democracy was completely undermined. I know that it is important for developments to be in keeping with national plans, if those national plans make sense, but there is a balance to be struck in terms of local government and its validity, which is referenced in the Constitution as well. I have a real problem with how that has played out.

It is interesting that in the previous group of amendments we talked about the planning regulator being notified about strategic plans for roads, because in the case of Kildare one other piece of land which was proposed for zoning would have required a helicopter to get in or out of it. People were not against the development of the land in Leixlip but issues such as access must be taken into account. That continues to be the experience in regard to the Leixlip local area plan. Having had some practical experience of ministerial directions, I have serious concerns about the very heavy-handed approach that could be taken. At the same time I accept that when we adopt national plans we should be able to rely on them, but some of them were in transition. The result is that while one gets all the houses, one gets very few of the services that should go with them when one is in transition between, for example, the regional planning guidelines as they were for the greater Dublin area and the introduction of the national planning framework which was changing the focus again. It is the worst of all worlds. I have a problem with the same three amendments and I will be opposing them.

**Deputy Michael Collins:** To be honest, after studying this Bill more deeply, the way I should have done, I am disappointed, but there are lots of other things going on and it is hard to cover everything. Bringing in amendments at such a late stage rings all sorts of alarm bells. That is an extremely serious issue and it is going unnoticed in the Dáil by many Deputies. I hope they are in their offices listening to this debate.

For years I have been trying to give extra encouragement to build houses in rural communities where there was a shop, a school and a church, providing a village nucleus. There should be more encouragement to build in such areas. Last week, Lisgriffin national school in Goleen, which is in my constituency of Cork South-West, closed forever. It had been open since the 1800s. When I was involved in local politics and county development and local area plans were being discussed, we tried to encourage villages to have a nucleus around schools such as that in Lisgriffin. We tried but nobody was listening. That is why rural Ireland has died.

The Minister of State, Deputy English, stated that there is no point in giving planning permission for housing if there is no employment in the area. Many people travel to Cork city every morning from my constituency, a distance of approximately 70 miles, and are happy to do so because they want to live in rural Ireland. The Minister of State referred to the 2040 plan but I wish to talk about planning in 2018. People are not receiving planning permission and we are not encouraging growth in rural Ireland. I hope that measures such as those I have suggested will turn that around.

I beg the indulgence of the Ceann Comhairle regarding the Minister of State's reply on kelp. It is a very important issue involving 1,860 acres. If there was 1,860 acres of destruction in the Ceann Comhairle's community, I would support any action he wished to take.

**An Ceann Comhairle:** Deputy Collins is quite ingenious.

**Deputy Michael Collins:** I am almost finished my contribution. The Minister of State said he would sit down with the group. Will he do so next week? If he will, I will say no more about it tonight.

**Deputy Damien English:** I am happy to sit down with Deputy Collins. We pass each other in the corridor every day of the week. I cannot meet the group. I offered to do so previously-----

**An Ceann Comhairle:** Yes, the Minister may not meet it.

**Deputy Damien English:** -----but the matter is now before the courts. I had offered to meet the group.

**An Ceann Comhairle:** The Minister is debarred from dealing with planning matters.

**Deputy Damien English:** I have engaged with Deputies on this matter and had arranged to meet the group with them and with officials of my Department. I made that offer but could not fulfil it because the matter went before the courts.

**Deputy Michael Collins:** Sadly, the group had been asking the Minister of State to meet it for a year before the matter went before the courts.

**Deputy Damien English:** That is not the case.

**Deputy Michael Collins:** He is hiding behind the ditches while this issue continues to be of great importance.

**Deputy Danny Healy-Rae:** I am very concerned by the number of amendments that are being put before Members at this late stage. I am very worried about how the county development plans of local authorities would be affected by the measures proposed in the Bill and the effect on the national planning and development of our country. Amendment No. 16 states, "such provisions as (i) are required to be included in a development plan by virtue of a direction issued by the Minister under section 31, and (ii) are not so included, shall be deemed to be included in that development plan". If we know what is included in a plan, we can assess it and decide upon it. However, this amendment is like signing a blank cheque. We know the Minister of State and trust him, thus far. However, this amendment may open the gap for some lunatic of a Minister who would destroy a county such as Kerry-----

**An Ceann Comhairle:** It is unthinkable that we would have such a Minister.

**Deputy Danny Healy-Rae:** I could name one but I will not do so tonight as the Ceann Comhairle has asked me not to.

**An Ceann Comhairle:** Good.

**Deputy Danny Healy-Rae:** This is a very serious matter. It reminds me of a man who, long ago, was sent out to deliver a message by his sister, a post mistress, at a time when telegrams were the norm. He went up a road and met-----

**An Ceann Comhairle:** Is the Deputy speaking to one of the amendments?

**Deputy Danny Healy-Rae:** It is the same thing. He asked my two uncles, who were young boys at the time, whether he had much further to go. They asked him where he was going. He told them to mind their own business and that he only wanted to know if he had much further

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to go. Amendment No. 16 is similar to that. We are being asked to agree to something but we do not know to what we are agreeing.

I know what is involved in county development plans having been involved in the creation of at least two or three of them. Given the effort that local authority members and management put into county development plans, I would not like some genius of a Minister to suggest something ridiculous which could damage a county or community. I will oppose the amendment and call a vote on it. I urge all Members to vote against it because it is ridiculous to give a Minister licence to supersede a county development plan put in place by local authority members elected by the people. I will not vote in favour of those amendments.

**Deputy Mattie McGrath:** I too have major concerns about some amendments in this grouping. Spatial plans, area plans, county development plans and town plans are very important. I served on Tipperary County Council and had many engagements on such plans, as did many community groups. Some of the plans were very successful. Many of the community groups were genuine contributors rather than serial objectors. They had concerns and wanted to work for the greater good of their community through the spatial strategy. A national spatial strategy some years ago abandoned my county and my town of Clonmel.

I have concerns about amendment No. 16 in regard to the provision that allows certain actions to be taken at the direction of a Minister. Statutory instruments have been brought in by Ministers over the years but often the civil servants behind the Minister are responsible for the statutory instrument and the Minister merely puts his or her name to it. County development plans and the making thereof is meant to be very transparent and involve engagement with the public, whether those directly affected by the plan or with a genuine interest in the greater good of the community. Some may wish for land to be rezoned. A significant amount of work goes into county development plans and area plans and they then become the bible for development in the area and specify what can be done where and when. Under the proposal, those plans could be amended, superseded or bypassed by a Minister who would have the power to grant or stop something or change the course of planning, in spite of the period of public consultation the plan will have undergone. What limitations would there be on that power? I am not satisfied by the amendment. I have previously dealt with Fianna Fáil Ministers for the environment who were in charge of planning - I could mention the former Minister Noel Dempsey in particular - and were not good listeners. The Minister of State, Deputy English, comes from the same county as Mr. Dempsey - An Mhí - and might catch the same bug. I am genuinely worried for the work on county development plans by officials who meaningfully engage with the public and hold workshops, public meetings and open days.

Many people have gone to consultations and briefings held by Transport Infrastructure Ireland, TII, in regard to the design of bypasses and other roads. Often, many of them feel very let down by the end result. They go to consultations and briefing but end up getting something very different from what they expected. I ask the Minister of State to explain in what area and for what reason a Minister may interfere or change a development plan. I have huge concerns and will not be voting for these amendments.

**An Ceann Comhairle:** Deputy Danny Healy-Rae wishes to ask a question before we go to the Minister of State.

**Deputy Danny Healy-Rae:** Is the Minister of State or the Government involved in the drafting of the Bill? Is it written by civil servants? I want to know who put it together.

**An Ceann Comhairle:** The draftspersons in the Office of the Parliamentary Counsel are responsible for the drafting of legislation, under the direction of the Minister.

**Deputy Danny Healy-Rae:** Is the Minister of State happy with the Bill?

**Deputy Pat Casey:** I agree with some of the other speakers that the number of amendments tabled in the Seanad is disappointing. The amendments have nothing to do with the office of the planning regulator. We seem to be using this Bill to sort out many other planning issues.

Regarding the amendments we are speaking to, I too have been through several county development plans and have been at the butt end of ministerial direction, whether in respect of policy or the zoning of land. Will the Minister of State clarify for Members the additional powers these amendments, if accepted, will give the Minister?

**Deputy Damien English:** I think the answer to Deputy Casey's question might solve all the questions. The Minister is getting fewer powers because the Bill is giving the power to the regulator, who is independent of Government, politics or a crazy Minister who may be in this position in the future. The regulator will make suggestions to the Minister. The Minister will have the final say but that will be on foot of the work of the office of the regulator.

In terms of what they may be asked to intervene in regarding this situation, it may be on the national policy planning guidelines that we implement, one of which is on wind energy. We are always asked for guidelines on solar farms. There are none because we do not believe they are needed. If they are needed to make applications, we can do that. Planning authorities today recommend or refuse applications for solar farms through the planning system. If guidelines are required in the future and we implement national guidelines-----

*(Interruptions).*

**Deputy Damien English:** I am sorry. The Deputy asked for an example. If, in the future, we set national guidelines on solar farms and a local development plan does not respect the national guidelines, the regulator will step in and suggest they should be respected, that the local development plan should be changed and recommend a direction by the Minister.

*10 o'clock* Today, that direction is carried out by the Minister and very often our Department.

On a weekly basis we analyse local area plans and any changes made and sometimes we have to point out that they do not follow national planning guidelines and may have to intervene with a direction. That is decided by our Department and formally sent by me as a Minister of State. Under the changes proposed in this Bill, the regulator will do that work. The final sign-off with a direction is done by the Minister but the process would be started by the office of the regulator, which is independent of politics.

Some Deputies do not want the Minister to have that final say while others on this side of the House want him or her to have the final say. I believe we are getting the best of both worlds in that we will have an independent regulator who will make a recommendation. The Minister has to follow that. If the Minister of the day does not follow that, he or she has to come into this House and explain the reason he or she is not following that direction. It is a very transparent policy. The spirit of the Mahon tribunal is for transparency in planning laws. That is what this Bill is about and what we are trying to achieve. It is not to give a future Minister excessive or mad powers. It recognises that sometimes the regulator might suggest a change that the Minister does not like, so we are achieving a balance in that the final say will be democratic because it is done through this House but the regulator will be doing all the work and making all the

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recommendations. The wording used in the past was to take sufficient account of a national planning guideline, not implement it. That is a grey area. We are saying that national planning guidelines are there to be implemented and not just noted, which is not often satisfactory.

**Deputy Eoin Ó Broin:** The Minister of State says this Bill is removing power from the Minister. There is not a single power removed from the Minister in the Bill or in any of the amendments. In fact, both the Bill, as we have discussed at length on Committee and Report Stages, and these amendments give additional powers to the Minister.

It is not that it is our view as Opposition Deputies that we do not want the Minister to take the decision. The Mahon tribunal recommendation explicitly stated it was concerned about an overconcentration of planning powers in the hands of the Minister and strongly recommended transferring a range of those powers to an independent regulator. It is Mahon that wanted that. There is nothing close to the spirit of Mahon in this Bill. We do not get the best of both worlds. We either leave the power with the Minister or increase the power of the Minister or give it to the independent regulator. It is not accurate to say that either powers are being taken away from the Minister and we get the best of both worlds. It is a betrayal of Mahon.

**Deputy Mattie McGrath:** In terms of what the Minister of State is saying, I alluded earlier to the different powers of Ministers and regulators. We have so many regulators for everything now, we can hardly count them and their staff or civil servants, as the Minister of State said. Most of them are not doing their job. If we take the regulator, the Competition and Consumer Protection Commission and the whole lot of them, they are not doing their job. They either do not have the proper legislation, are unwilling or whatever.

The Minister of State said the Minister is not taking any more powers and that it will be given to the regulator. I get a whiff of the HSE from that in that we are all so anxious to disband bodies that we cannot control, and now the Minister is giving the powers to this officeholder. I have nothing against a particular officeholder but if we table a parliamentary question on an issue to the Minister, will we be told it is a matter for the regulator?

**Deputy Damien English:** I will answer that.

**Deputy Mattie McGrath:** Let me finish. That is a serious issue. We have too many of these intermediary officers and yet nobody is accountable. When the councillors made the plan, it was one of the only functions they had. They made the plan eventually and often got stick over it. Some may have lost their seats over it but they made it in good faith. It was the accepted plan. When people come to see me in my clinic about a planning matter, I ask them where they live and always try to send them a copy of the guidelines in that area. That was the plan. It will be a case now of shifting sands. The plan will be able to be overridden by the regulator and the Minister of State seems to be suggesting that the Minister will have some engagement as well. We are making the process too cumbersome and are interfering with a sacrosanct document, which is the county development plan approved by the members after lengthy discussion and input from them. I am not happy with this.

**Deputy Catherine Murphy:** One would expect the word “independent” to mean totally independent but who is the decision-maker here? The way this is structured, the decision-maker is the Minister. We cannot say it is independent in the way it was intended. That is a serious problem.

Amendment No. 40 states that local area plans should be “consistent with”. That is the cor-

rect terminology. The terminology used previously was “having regard to” but that was successfully challenged in the courts. “Consistent with” is the correct approach. It deals with the objectives of the development plan and the national regional planning objectives.

We then have other legislation to the effect that if a development is more than 100 houses, it bypasses the council and goes straight to An Bord Pleanála, and An Bord Pleanála can ignore the local area plan provided the land is zoned for residential development. That is the critical issue. Everything set down in the plan relating to consistency, linkages with services, schools and all sorts of issues that are tested in a local area plan go out the window because An Bord Pleanála does not have to take the local area plan on board. That is a glaring gap in terms of what we are attempting to achieve by making a range of different issues such as national and regional planning objectives “consistent with” as stated in the amendment. It does not matter when it comes to large-scale developments.

**Deputy Danny Healy-Rae:** I am becoming more concerned as the debate goes on. As Deputy Mattie McGrath said, we will be fobbed off when it comes to the Minister and the regulator. The Minister must ask the regulator and the regulator must ask the Minister. I am very concerned about that.

Regarding An Bord Pleanála dealing with developments of more than 100 houses, I am open to correction on this but my understanding is that the land does not have to be zoned. We will have to call a vote on this because it is too serious an issue and I can see what will happen down the line. When I was a county councillor on the southern health forum asking questions of the HSE, it would give answers to the effect that it would have to ask the Minister for Health for information. When I came up here and asked the Minister for Health, he stated that he had to ask the HSE. I do not know. When we have a possibility of county development plans being interfered with, changed or being the subject of other directions, it is very serious. The original intention of the Bill was just to appoint a regulator but now we are changing and adding in an awful lot of addendums that could affect local authorities and people in a very hurtful way. I am totally against it.

**Deputy Damien English:** To bring some clarity and put Deputy Danny Healy-Rae at ease, we are not bringing in loads of changes to give more powers to the regulator. This process has been going on for the past two years. I will not be able to satisfy the concerns Deputy Danny Healy-Rae has and those of the Sinn Féin Deputies because they want two different things.

**Deputy Eoin Ó Broin:** It seems the Minister of State is not going to satisfy any of us.

**Deputy Damien English:** The Deputies have other people who do that for them. At present, county development plans are put together by the councillors. It is their statutory right and most take it very seriously and put a lot of work into it. The Department recognises that. There are national policy guidelines that also have to be implemented in local development plans. Some councils choose not to follow the national planning guidelines. When that happens, the current role of the Minister in conjunction with our planning officials is to intervene and correct that and issue a direction to try to bring local development back within the national guidelines. While recognising that they have to have their own independence and do all that work on the local objectives, the plans must also comply with national planning policy in the context of telecommunications, energy and so on, things that go beyond just a local context. We try not to do that too often but, sadly, sometimes we must.

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Responsibility in this regard currently falls to the Department and it is up to me, as Minister of State, to sign off on whatever is involved. I can do it in my office without consulting the House, hidden away in a non-transparent manner. Under the Bill, the office of the regulator will be given that job independent of politics, of me and of the Department. The office of the regulator will implement national planning policy guidelines and check development plans to ensure they are in order and that there is proper planning. If the regulator sees something that is not right, proper or in line with national planning policy, he or she will issue a notice to the county to change it. If that does not happen, the regulator will ask the Minister of the day - I am sure it will not be me for ever - to issue a direction. That is the process. It is independent in that the suggestion of the direction will come from the independent regulator to the Minister of the day who will then implement it. If the Minister does not implement that direction, he or she will be obliged to respond and clarify to this House why that is the case. It is a very transparent, clear process. Mahon wanted transparency and independence of planning and that is what we are doing with the office of the regulator.

It should satisfy Deputies Danny Healy-Rae and Mattie McGrath that there is accountability and that the Minister of the day cannot blame the regulator and say he or she cannot do anything because the Minister will have the final say after it goes through an independent office, and rightly so. It is a very clear and transparent method of doing planning, which is what the Mahon tribunal wanted us to achieve. I am of the view that the Bill will achieve it.

We have had this discussion a few times in the House during the past two years. Deputy Danny Healy-Rae might not have been here for it but it is not a new discussion. This amendment changes one aspect. In the past, local authorities could take sufficient notice of but not implement national planning policy. It was a grey area and did not lead to the best planning outcomes. That is what we are trying to correct. I apologise that there are amendments before the House that were brought in at a late stage. I acknowledge that. We teased this out at different points over the past two years in the context of both the majority of the work we have been doing and the main principles of the Bill. There are some changes here that were flagged in the Seanad. Members are complaining that they got short notice but they were watching the debate in the Seanad on the day and have had a couple of weeks to digest and analyse and so on. It is not the case that we produced something out of the sky tonight. I ask Deputies to be fair about that. They have had a couple of weeks. I am happy if people want to raise concerns. That is what we are here for. However, it is not the case that I produced the amendments yesterday or this morning. They were well flagged in the Seanad two or three weeks ago. Deputies are very well informed and watch everything that goes on. It would not be in our nature to surprise them with anything. That is not something we do.

**Deputy Michael Collins:** Who appoints the independent regulator?

**Deputy Damien English:** I will check that for the Deputy and come back to him. It is a fair point.

**Deputy Danny Healy-Rae:** We are being taken here. If the Minister of State does not know who is going to appoint him, who does know?

**Deputy Aengus Ó Snodaigh:** The Deputy might need to be taken.

**Deputy Michael Fitzmaurice:** It would be the Minister.

**Deputy Damien English:** There is a process to an appointment. It will not just be me. It

is a good question, though.

Seanad amendment agreed to.

Seanad amendment No. 13:

Section 4: In page 23, to delete line 16 and substitute the following:

“(c) relevant guidelines for planning authorities made under section 28, including the consistency of development plans with any specific planning policy requirements specified in those guidelines;”.

Seanad amendment agreed to.

Seanad amendment No. 14:

Section 4: In page 25, lines 31 and 32, to delete “Department of Housing, Planning, Community and Local Government” and substitute “Department of Housing, Planning and Local Government”.

Seanad amendment agreed to.

Seanad amendment No. 15:

Section 4: In page 27, line 17, to delete “shall” and substitute “shall, subject to subsection (16)”.

Seanad amendment agreed to.

Seanad amendment No. 16:

Section 4: In page 27, to delete lines 23 to 25 and substitute the following:

“(11) From the adoption of a development plan—

(a) such provisions as—

(i) are required to be included in a development plan by virtue of a direction issued by the Minister under section 31, and

(ii) are not so included,

shall be deemed to be included in that development plan, and

(b) such provisions of the development plan as do not comply with a direction so issued shall be deemed not to be included in that development plan.”.

Seanad amendment agreed to.

Seanad amendment No. 17:

Section 4: In page 27, lines 37 and 38, to delete “Department of Housing, Planning, Community and Local Government” and substitute “Department of Housing, Planning and Local Government”.

Seanad amendment agreed to.

Seanad amendment No. 18:

Section 4: In page 27, between lines 38 and 39, to insert the following:

“(16) (a) Where the giving of a direction by the Minister in accordance with subsection (9) would require the making of a material alteration to a development plan, the Minister shall, not later than 3 weeks after the making of the recommendation by the Office under that subsection—

(i) publish a notice of the material alteration that would be so required in at least one newspaper circulating in the administrative area of the local authority that prepared the development plan, and

(ii) send a copy of that notice to the planning authority concerned, the regional assembly concerned, the Office, the Board and the prescribed authorities.

(b) The Minister shall, before giving a direction in accordance with subsection (9), determine—

(i) whether or not a strategic environmental assessment or an appropriate assessment is required to be carried out as respects a material alteration to a development plan that would be required in order to comply with the direction, and

(ii) where he or she determines that a strategic environmental assessment or an appropriate assessment is so required, the period that it would take to carry out such strategic environmental assessment or appropriate assessment.

(c) Where the Minister makes a determination under paragraph (b) that a strategic environmental assessment or an appropriate assessment is required to be carried out as respects a material alteration to a development plan that would be required in order to comply with the direction, he or she shall publish a notice of that determination in at least one newspaper circulating in the administrative area of the local authority that prepared the development plan concerned.

(d) A copy of the determination under paragraph (b) and a copy of the proposed material alteration to the development plan concerned shall, for a period of not less than 4 weeks from the date of the determination, be made available for inspection—

(i) by members of the public at such place and at such times as are specified in the notice referred to in paragraph (c), and

(ii) on the internet website of the Minister and the internet website of the planning authority concerned.

(e) A notice to which paragraph (c) applies shall—

(i) state that a determination under paragraph (b) has been made for the purposes of giving a direction in accordance with subsection (9),

(ii) specify the place at which and times during which copies of the determination under paragraph (b) and the proposed material alteration to the development plan concerned will

be made available for inspection by members of the public,

(iii) state that such copies will be available for inspection on the internet website of the Minister and the internet website of the planning authority concerned,

(iv) invite written submissions or observations with respect to the proposed material alteration or a strategic environmental assessment or appropriate assessment required to be carried out by virtue of the said determination to be made to the Minister before the expiration of such period as specified in the notice,

and

(v) that any such submissions or observations shall be taken into account by the Minister in giving a direction in accordance with subsection (9).

(f) The Minister shall carry out a strategic environmental assessment, appropriate assessment, or both, of the proposed material alteration of the development plan within the period determined by the Minister in accordance with paragraph (b).

(g) The Minister shall, not later than 8 weeks after the publication of a notice under paragraph (c), prepare a report on any submissions or observations received in accordance with that notice.

(h) A report under paragraph (g) shall—

(i) specify the persons who made submissions or observations in accordance with the notice under paragraph (c),

(ii) provide a summary of those submissions and observations, and

(iii) set out the response of the Minister to those submissions and observations.

(i) The Minister shall, in setting out his or her response to submissions or observations in accordance with the notice under paragraph (c), take account of the following:

(i) the proper planning and sustainable development of the area to which the proposed development plan is intended to apply,

(ii) the duties under statute of the local authority within whose administrative area the proposed development plan is intended to apply,

(iii) the necessity of ensuring that the proposed development plan will be consistent with—

(I) the national and regional development objectives set out in the National Planning Framework and the regional spatial and economic strategy,

(II) specific planning policy requirements specified in guidelines under section 28(1), and

(III) policies or objectives for the time being of the Government or of any Minister of the Government.”.

Amendment put:

| <i>The Committee divided: Tá, 43; Níl, 25; Staon, 0.</i> |                                |              |
|--|--------------------------------|--------------|
| <i>Tá</i>  | <i>Níl</i>                     | <i>Staon</i> |
| <i>Aylward, Bobby.</i>                                   | <i>Brady, John.</i>            |              |
| <i>Breathnach, Declan.</i>                               | <i>Buckley, Pat.</i>           |              |
| <i>Breen, Pat.</i>                                       | <i>Collins, Michael.</i>       |              |
| <i>Brophy, Colm.</i>                                     | <i>Connolly, Catherine.</i>    |              |
| <i>Bruton, Richard.</i>                                  | <i>Ellis, Dessie.</i>          |              |
| <i>Cahill, Jackie.</i>                                   | <i>Ferris, Martin.</i>         |              |
| <i>Calleary, Dara.</i>                                   | <i>Fitzmaurice, Michael.</i>   |              |
| <i>Canney, Seán.</i>                                     | <i>Healy-Rae, Danny.</i>       |              |
| <i>Cannon, Ciarán.</i>                                   | <i>Kelly, Alan.</i>            |              |
| <i>Casey, Pat.</i>                                       | <i>Kenny, Martin.</i>          |              |
| <i>Chambers, Jack.</i>                                   | <i>McGrath, Mattie.</i>        |              |
| <i>Corcoran Kennedy, Marcella.</i>                       | <i>Mitchell, Denise.</i>       |              |
| <i>Daly, Jim.</i>  | <i>Munster, Imelda.</i>        |              |
| <i>Doherty, Regina.</i>                                  | <i>Murphy, Catherine.</i>      |              |
| <i>Durkan, Bernard J.</i>                                | <i>Nolan, Carol.</i>           |              |
| <i>English, Damien.</i>                                  | <i>O'Brien, Jonathan.</i>      |              |
| <i>Farrell, Alan.</i>                                    | <i>O'Reilly, Louise.</i>       |              |
| <i>Flanagan, Charles.</i>                                | <i>Ó Broin, Eoin.</i>          |              |
| <i>Griffin, Brendan.</i>                                 | <i>Ó Caoláin, Caoimhghín.</i>  |              |
| <i>Harris, Simon.</i>                                    | <i>Ó Laoghaire, Donnchadh.</i> |              |
| <i>Heydon, Martin.</i>                                   | <i>Ó Snodaigh, Aengus.</i>     |              |
| <i>Humphreys, Heather.</i>                               | <i>Quinlivan, Maurice.</i>     |              |
| <i>Kehoe, Paul.</i>                                      | <i>Stanley, Brian.</i>         |              |
| <i>Kyne, Seán.</i>                                       | <i>Tóibín, Peadar.</i>         |              |
| <i>Madigan, Josepha.</i>                                 | <i>Wallace, Mick.</i>          |              |
| <i>McHugh, Joe.</i>                                      |                                |              |
| <i>McLoughlin, Tony.</i>                                 |                                |              |
| <i>Moran, Kevin Boxer.</i>                               |                                |              |
| <i>Moynihan, Aindrias.</i>                               |                                |              |
| <i>Moynihan, Michael.</i>                                |                                |              |
| <i>Murphy, Eoghan.</i>                                   |                                |              |
| <i>Naughton, Hildegarde.</i>                             |                                |              |
| <i>Neville, Tom.</i>                                     |                                |              |
| <i>O'Brien, Darragh.</i>                                 |                                |              |
| <i>O'Connell, Kate.</i>                                  |                                |              |
| <i>O'Donovan, Patrick.</i>                               |                                |              |
| <i>O'Dowd, Fergus.</i>                                   |                                |              |
| <i>O'Keeffe, Kevin.</i>                                  |                                |              |
| <i>Phelan, John Paul.</i>                                |                                |              |
| <i>Ross, Shane.</i>                                      |                                |              |

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| <i>Smyth, Niamh.</i>   |  |  |
| <i>Stanton, David.</i> |  |  |
| <i>Troy, Robert.</i>   |  |  |

Tellers: Tá, Deputies Joe McHugh and Tony McLoughlin; Níl, Deputies Eoin Ó Broin and Aengus Ó Snodaigh.

Amendment declared carried.

Seanad amendment No. 19:

Section 4: In page 30, lines 15 and 16, to delete “Department of Housing, Planning, Community and Local Government” and substitute “Department of Housing, Planning and Local Government”.

Seanad amendment agreed to.

Seanad amendment No. 20:

Section 4: In page 32, line 1, to delete “shall” and substitute “shall, subject to subsection (16)”.

Seanad amendment agreed to.

Seanad amendment No. 21:

Section 4: In page 32, to delete lines 7 to 9 and substitute the following:

“(11) From the adoption of a local area plan-

(a) such provisions as-

(i) are required to be included in the local area plan by virtue of a direction issued by the Minister under section 31, and

(ii) are not so included,

shall be deemed to be included in that local area plan, and

(b) such provisions of the local area plan as do not comply with a direction so issued shall be deemed not to be included in that local area plan.”.

Amendment put:

|  |                     |              |
|--|---------------------|--------------|
| <i>The Committee divided: Tá, 44; Níl, 25; Staon, 0.</i> |                     |              |
| <i>Tá</i>  | <i>Níl</i>          | <i>Staon</i> |
| <i>Aylward, Bobby.</i>                                   | <i>Brady, John.</i> |              |

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| <i>Breathnach, Declan.</i>         | <i>Buckley, Pat.</i>           |  |
| <i>Breen, Pat.</i>                 | <i>Collins, Michael.</i>       |  |
| <i>Brophy, Colm.</i>               | <i>Connolly, Catherine.</i>    |  |
| <i>Bruton, Richard.</i>            | <i>Ellis, Dessie.</i>          |  |
| <i>Cahill, Jackie.</i>             | <i>Ferris, Martin.</i>         |  |
| <i>Calleary, Dara.</i>             | <i>Fitzmaurice, Michael.</i>   |  |
| <i>Canney, Seán.</i>               | <i>Healy-Rae, Danny.</i>       |  |
| <i>Cannon, Ciarán.</i>             | <i>Kelly, Alan.</i>            |  |
| <i>Casey, Pat.</i>                 | <i>Kenny, Martin.</i>          |  |
| <i>Chambers, Jack.</i>             | <i>McGrath, Mattie.</i>        |  |
| <i>Corcoran Kennedy, Marcella.</i> | <i>Mitchell, Denise.</i>       |  |
| <i>Daly, Jim.</i>                  | <i>Munster, Imelda.</i>        |  |
| <i>Doherty, Regina.</i>            | <i>Murphy, Catherine.</i>      |  |
| <i>Durkan, Bernard J.</i>          | <i>Nolan, Carol.</i>           |  |
| <i>English, Damien.</i>            | <i>O'Brien, Jonathan.</i>      |  |
| <i>Farrell, Alan.</i>              | <i>O'Reilly, Louise.</i>       |  |
| <i>Flanagan, Charles.</i>          | <i>Ó Broin, Eoin.</i>          |  |
| <i>Griffin, Brendan.</i>           | <i>Ó Caoláin, Caoimhghín.</i>  |  |
| <i>Harris, Simon.</i>              | <i>Ó Laoghaire, Donnchadh.</i> |  |
| <i>Heydon, Martin.</i>             | <i>Ó Snodaigh, Aengus.</i>     |  |
| <i>Humphreys, Heather.</i>         | <i>Quinlivan, Maurice.</i>     |  |
| <i>Kehoe, Paul.</i>                | <i>Stanley, Brian.</i>         |  |
| <i>Kyne, Seán.</i>                 | <i>Tóibín, Peadar.</i>         |  |
| <i>Lahart, John.</i>               | <i>Wallace, Mick.</i>          |  |
| <i>Madigan, Josepha.</i>           |                                |  |
| <i>McHugh, Joe.</i>                |                                |  |
| <i>McLoughlin, Tony.</i>           |                                |  |
| <i>Moran, Kevin Boxer.</i>         |                                |  |
| <i>Moynihan, Aindrias.</i>         |                                |  |
| <i>Moynihan, Michael.</i>          |                                |  |
| <i>Murphy, Eoghan.</i>             |                                |  |
| <i>Naughton, Hildegarde.</i>       |                                |  |
| <i>Neville, Tom.</i>               |                                |  |
| <i>O'Brien, Darragh.</i>           |                                |  |
| <i>O'Connell, Kate.</i>            |                                |  |
| <i>O'Donovan, Patrick.</i>         |                                |  |
| <i>O'Dowd, Fergus.</i>             |                                |  |
| <i>O'Keeffe, Kevin.</i>            |                                |  |
| <i>Phelan, John Paul.</i>          |                                |  |
| <i>Ross, Shane.</i>                |                                |  |
| <i>Smyth, Niamh.</i>               |                                |  |
| <i>Stanton, David.</i>             |                                |  |

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| <b><i>Troy, Robert.</i></b> |  |  |
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Tellers: Tá, Deputies Joe McHugh and Tony McLoughlin; Níl, Deputies Danny Healy-Rae and Michael Collins.

Amendment declared carried.

Debate adjourned.

### **Business of Dáil**

**An Ceann Comhairle:** Before proceeding with the Bill, I understand the Chief Whip has a business proposal to put to us in respect of tomorrow.

**Minister of State at the Department of the Taoiseach (Deputy Joe McHugh):** In light of the very good progress that has been made with the Planning and Development (Amendment) Bill this evening, and in light of the allocated time we have available for this Bill tomorrow, I propose that we give an extra hour to the Road Traffic (Amendment) Bill tomorrow, which will bring it to two hours.

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

**Deputies:** No.

**An Ceann Comhairle:** I must put the question.

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

**Deputy John Lahart:** On a point of order-----

**An Ceann Comhairle:** No. I am calling the vote at this stage. I have already called it.

**Deputy John Lahart:** Allow me some leeway. I do not always ask for it. This is unusual. There are well established protocols of the House such that the business of the House is organised through the Business Committee where everybody is represented equally. We are not particularly satisfied on this side of the House. In fact, we are not satisfied at all that the information brought to us by the Government Chief Whip was brought forward in this manner and without a meeting of the Business Committee to order the business before the House tomorrow. It is a point we want to make from this side of the House.

**An Ceann Comhairle:** I make it clear that it is not at all uncommon for a proposal of this nature to be put to the House.

**Deputy Dara Calleary:** At such a late hour. At 10.50 p.m. on a Thursday.

**Deputy Patrick O'Donovan:** Whose fault is that? That is the Business Committee.

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**Deputy Dara Calleary:** Deputy Shane Ross.

**An Ceann Comhairle:** What is proposed is to provide additional time for the House to consider a matter. It would be extraordinary in my view were the House to object to additional time to consider a particular proposal.

**Deputy Patrick O'Donovan:** Reverse engines, lads, quick.

**Deputy Mattie McGrath:** As a member of the Business Committee, I think it is very strange also. We are normally consulted.

**Deputy Patrick O'Donovan:** That explains it.

*(Interruptions).*

**An Ceann Comhairle:** Deputy Mattie McGrath is entitled to make his point.

**Deputy Alan Kelly:** Will the Member up there get off the phone?

*(Interruptions).*

**An Ceann Comhairle:** I know it is late but I ask people to try to contain themselves.

**Deputy Mattie McGrath:** I am a member of the Business Committee where we have had cordial working relations. If there are changes to be made, phone calls are usually made or consultations will take place. This is being done at a late hour. I do not object to more time as we need lots more time on the Bill. However, the manner in which it is being done is unfair and shoddy. It smacks of dictatorship by the Minister, Deputy Ross, who is bullying the Government.

**Deputy Simon Harris:** There is a vote. How is that a dictatorship?

**An Ceann Comhairle:** The Minister, Deputy Ross, had no hand, act or part in this particular matter.

**Deputy Robert Troy:** He was with the Chief Whip.

**An Ceann Comhairle:** I have called the matter. The proposal on the Order of Business is for an additional hour to be provided tomorrow and on that matter a division has been challenged.

Question put:

| <i>The Dáil divided: Tá, 62; Níl, 5; Staon, 0.</i> |                              |              |
|--|------------------------------|--------------|
| <i>Tá</i>  | <i>Níl</i>                   | <i>Staon</i> |
| <i>Aylward, Bobby.</i>                             | <i>Collins, Michael.</i>     |              |
| <i>Brady, John.</i>                                | <i>Fitzmaurice, Michael.</i> |              |
| <i>Breathnach, Declan.</i>                         | <i>Healy-Rae, Danny.</i>     |              |
| <i>Breen, Pat.</i>                                 | <i>McGrath, Mattie.</i>      |              |
| <i>Brophy, Colm.</i>                               | <i>Wallace, Mick.</i>        |              |
| <i>Bruton, Richard.</i>                            |                              |              |
| <i>Buckley, Pat.</i>                               |                              |              |

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| <i>Cahill, Jackie.</i>             |  |  |
| <i>Calleary, Dara.</i>             |  |  |
| <i>Canney, Seán.</i>               |  |  |
| <i>Cannon, Ciarán.</i>             |  |  |
| <i>Casey, Pat.</i>                 |  |  |
| <i>Chambers, Jack.</i>             |  |  |
| <i>Connolly, Catherine.</i>        |  |  |
| <i>Corcoran Kennedy, Marcella.</i> |  |  |
| <i>Doherty, Regina.</i>            |  |  |
| <i>Durkan, Bernard J.</i>          |  |  |
| <i>Ellis, Dessie.</i>              |  |  |
| <i>English, Damien.</i>            |  |  |
| <i>Farrell, Alan.</i>              |  |  |
| <i>Ferris, Martin.</i>             |  |  |
| <i>Flanagan, Charles.</i>          |  |  |
| <i>Griffin, Brendan.</i>           |  |  |
| <i>Harris, Simon.</i>              |  |  |
| <i>Heydon, Martin.</i>             |  |  |
| <i>Humphreys, Heather.</i>         |  |  |
| <i>Kehoe, Paul.</i>                |  |  |
| <i>Kenny, Martin.</i>              |  |  |
| <i>Kyne, Seán.</i>                 |  |  |
| <i>Lahart, John.</i>               |  |  |
| <i>Madigan, Josepha.</i>           |  |  |
| <i>McHugh, Joe.</i>                |  |  |
| <i>McLoughlin, Tony.</i>           |  |  |
| <i>Mitchell, Denise.</i>           |  |  |
| <i>Moran, Kevin Boxer.</i>         |  |  |
| <i>Moynihan, Aindrias.</i>         |  |  |
| <i>Moynihan, Michael.</i>          |  |  |
| <i>Munster, Imelda.</i>            |  |  |
| <i>Murphy, Catherine.</i>          |  |  |
| <i>Murphy, Eoghan.</i>             |  |  |
| <i>Naughton, Hildegarde.</i>       |  |  |
| <i>Neville, Tom.</i>               |  |  |
| <i>Nolan, Carol.</i>               |  |  |
| <i>O'Brien, Darragh.</i>           |  |  |
| <i>O'Brien, Jonathan.</i>          |  |  |
| <i>O'Connell, Kate.</i>            |  |  |
| <i>O'Donovan, Patrick.</i>         |  |  |
| <i>O'Dowd, Fergus.</i>             |  |  |
| <i>O'Keeffe, Kevin.</i>            |  |  |

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|--------------------------------|--|--|
| <i>O'Reilly, Louise.</i>       |  |  |
| <i>Ó Broin, Eoin.</i>          |  |  |
| <i>Ó Caoláin, Caoimhghín.</i>  |  |  |
| <i>Ó Laoghaire, Donnchadh.</i> |  |  |
| <i>Ó Snodaigh, Aengus.</i>     |  |  |
| <i>Phelan, John Paul.</i>      |  |  |
| <i>Quinlivan, Maurice.</i>     |  |  |
| <i>Ross, Shane.</i>            |  |  |
| <i>Smyth, Niamh.</i>           |  |  |
| <i>Stanley, Brian.</i>         |  |  |
| <i>Stanton, David.</i>         |  |  |
| <i>Tóibín, Peadar.</i>         |  |  |
| <i>Troy, Robert.</i>           |  |  |

Tellers: Tá, Deputies Joe McHugh and Tony McLoughlin; Níl, Deputies Danny Healy-Rae and Michael Collins.

Question declared carried.

The Dáil adjourned at 10.55 p.m. until 10.30 a.m. on Friday, 6 July 2018.