



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

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DÁIL ÉIREANN

Dé Máirt, 30 Meitheamh 2020

Tuesday, 30 June 2020

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

Paidir.

Prayer.

Message from Business Committee

An Ceann Comhairle: The Business Committee has completed its consideration, under Standing Order 30, of the request by the Minister for Business, Enterprise and Innovation to waive the requirement for pre-legislative scrutiny, under Standing Order 173, on the general scheme and the draft heads of the Credit Guarantee Scheme (Amendment) Bill 2020 and has agreed thereto.

An tOrd Gnó - Order of Business

Minister of State at the Department of the Taoiseach (Deputy Dara Calleary): In relation to today's business, it is proposed that: notwithstanding anything in Standing Orders, the only business to be taken shall be the business as set out in the second revised report of the Business Committee dated 29 June 2020, with no Questions on Promised Legislation; No. 4, motion re presentation and circulation of Revised Estimates 2020 shall be taken without debate and any division demanded shall be taken immediately; and, in relation to No. 5, the proceedings on the Revised Estimates for Public Services 2020 - Votes 32 and 38 - each Revised Estimate shall be brought to a conclusion within four hours. The proceedings on each Estimate shall consist of two rounds, as follows: the first round shall consist of an opening speech by the Minister not exceeding 20 minutes, followed by speeches and questions and answers by Fianna Fáil, Sinn Féin and Fine Gael of 15 minutes each, with all other parties and groups having ten minutes each. The second round shall consist of speeches and questions and answers by Fianna Fáil, Sinn Féin and Fine Gael of 15 minutes each, with all other parties and groups having eight minutes each. Any division demanded shall be taken on the conclusion of proceedings on Vote 38 - Health, and the Dáil shall adjourn on the conclusion on the Revised Estimates for Public Services until 2 p.m. on Tuesday, 7 July 2020.

It is proposed that the business and arrangements for the Special Committee on Covid-19 Response on Thursday shall be as outlined in the second revised report of the Business Committee dated 29 June 2020.

An Ceann Comhairle: Is the proposal for dealing with Tuesday's business agreed to? Agreed. Is the proposal for dealing with the business of the Special Committee on Covid-19 Response on Thursday agreed to? Agreed.

Presentation of Estimates: Motion

Minister for Public Expenditure and Reform (Deputy Michael McGrath): I move:

That, notwithstanding Standing Order 215(1) or (2) of the Standing Orders of Dáil Éireann relative to Public Business, the following Revised Estimates for the Public Services for the year ending 31st December, 2020, be presented to the Dáil and circulated to members on 30th June, 2020, being a date later than that prescribed for the presentation of Estimates:

- Vote 1 — President's Establishment (*Revised Estimate*).
- Vote 2 — Department of the Taoiseach (*Revised Estimate*).
- Vote 3 — Office of the Attorney General (*Revised Estimate*).
- Vote 4 — Central Statistics Office (*Revised Estimate*).
- Vote 5 — Office of the Director of Public Prosecutions (*Revised Estimate*).
- Vote 6 — Office of the Chief State Solicitor (*Revised Estimate*).
- Vote 11 — Public Expenditure and Reform (*Revised Estimate*).
- Vote 12 — Superannuation and Retired Allowances (*Revised Estimate*).
- Vote 13 — Office of Public Works (*Revised Estimate*).
- Vote 14 — State Laboratory (*Revised Estimate*).
- Vote 15 — Secret Service (*Revised Estimate*).
- Vote 17 — Public Appointments Service (*Revised Estimate*).
- Vote 18 — National Shared Services Office (*Revised Estimate*).
- Vote 19 — Office of the Ombudsman (*Revised Estimate*).
- Vote 20 — Garda Síochána (*Revised Estimate*).
- Vote 21 — Prisons (*Revised Estimate*).
- Vote 22 — Courts Service (*Revised Estimate*).
- Vote 24 — Justice and Equality (*Revised Estimate*).

Vote 25 — Irish Human Rights and Equality Commission (*Revised Estimate*).

Vote 26 — Education and Skills (*Revised Estimate*).

Vote 27 — International Co-operation (*Revised Estimate*).

Vote 28 — Foreign Affairs and Trade (*Revised Estimate*).

Vote 33 — Culture, Heritage and the Gaeltacht (*Revised Estimate*).

Vote 39 — Office of Government Procurement (*Revised Estimate*).

Vote 41 — Policing Authority (*Revised Estimate*).

Vote 43 — Office of the Government Chief Information Officer (*Revised Estimate*).

Vote 44 — Data Protection Commission (*Revised Estimate*).

Question put and agreed to.

Estimates for Public Services 2020

Tánaiste and Minister for Business, Enterprise and Innovation (Deputy Leo Varadkar): I move:

Vote 32 - Business, Enterprise and Innovation (Revised)

That a sum not exceeding €1,401,200,000 be granted to defray the charge which will come in course of payment during the year ending on the 31st day of December, 2020, for the salaries and expenses of the Office of the Minister for Business, Enterprise and Innovation, including certain services administered by that Office, for the payment of certain subsidies and grants and for the payment of certain grants under cash-limited schemes and that a sum not exceeding €42,150,000 be granted by way of the application for capital supply services of unspent appropriations, the surrender of which may be deferred under Section 91 of the Finance Act 2004.

It is a while since I have done this. Thanks very much, a Cheann Comhairle. You might bear with me.

Our country has been living through four months without precedent in the history of the State. Lives were lost, businesses were closed and it took a terrible toll on families, communities and the country. Yesterday, we began phase 3 of the reopening plan. Things are still very difficult for many people but confidence is slowly coming back to the economy and people are hopeful again. The new Government's job over the coming weeks and months is to give meaning to that hope by backing people and businesses and doing what we can to help.

During the darkest days of this pandemic we developed a vision for how the country would emerge from the crisis and how we would get workplaces and businesses open and the country back to work. As Tánaiste and Minister for Business, Enterprise and Innovation, it is my responsibility to realise that vision and to help the country to recover, repair the damage that has been done and restore confidence and prosperity. It can be done. To achieve this, the July jobs

stimulus will have to be radical and far-reaching. It needs to be. It has to be of a scale to meet the enormous challenge we face. It will have to be done soon because we have no time to waste.

This is a critical moment and we must make the right decisions to set us on the right course for the next five years and beyond. Today, I seek the approval of the Dáil of the Department's Revised Estimate for 2020 in order that we can help enterprises to survive and emerge from this emergency. This will also enable us to operate the programmes that will help consumers, workers, businesses and society. The stakes are high because we need the authority from this House and the funds to continue the work being done beyond the next couple of weeks. The projected gross expenditure of the Department in the original Estimate was €970.9 million. This was broken down between €338.9 million in current expenditure and €632 million in capital expenditure. This represented an increase of approximately €21 million over the 2019 Revised Estimate allocation. The current expenditure provision of €338.9 million secured for the Department in the Revised Estimate last December represented an increase of €8.7 million on the 2019 current expenditure ceiling of €330.2 million. The additional funding was intended to provide for pay increases to staff of the Department and its agencies, arising from the public service stability agreement; additional pension requirements; Brexit-specific recruitment in the Department; regulatory bodies and agencies; targeted information campaigns; and the expansion of our global footprint as we continue to promote Ireland as a leading destination for foreign direct investment, FDI, trade and research. The Revised Estimate being presented to the House today does not involve any current expenditure or funding beyond what was provided for in December.

In terms of capital expenditure, the Department secured €332 million in the Revised Estimate last December. This represents an increase of €12 million or 2% on the 2019 allocation of €620 million. The additional capital funding secured for 2020 was intended to develop ambitious programmes, including the second phase of the disruptive technology innovation fund under Project Ireland 2040, the renewal of the Science Foundation Ireland, SFI, research centres programme and to respond to the challenges and opportunities presented by Brexit.

The Revised Estimate being presented to the House seeks additional capital funding to enable the Department to continue the various Government-approved Covid enterprise initiatives and supports, which have been developed in recent weeks and months. An additional €483 million in capital funding is being sought. The total capital ceiling now being sought is €1.115 billion, which represents an increase of 76% on the allocation from last year and 80% on 2018.

As part of this initial response, the Department has reprioritised and repurposed existing programmes to respond to Covid-19. These include the repurposing of the Enterprise Ireland online retail, lean continuity voucher and financial planning grant schemes; local enterprise offices' business continuity and trading online voucher schemes; InterTradeIreland's e-merge and emergency solution schemes; the credit guarantee scheme, the working loan capital scheme and the microfinance loan scheme.

The Department has also been to the forefront of developing actions to assist businesses in this challenging crisis. These were approved by the previous Government which gave rise to the need for €483 million in additional capital funding, to be sought in the Revised Estimate. The additional capital moneys break down as follows: a total of €180 million is allocated for the sustaining enterprise fund. There will be €11.79 million for the further recapitalisation of the microenterprise loan fund; €41.21 million to fund a €450 million increase in the Strategic Banking Corporation of Ireland, SBCI, Covid lending through the €250 million expansion of the

Covid working capital scheme; the €200 million expansion in the future growth loan scheme; and €250 million for the restart grant.

Specifically, the €180 million being sought for sustaining enterprise fund will enable Enterprise Ireland to increase overall funding under its financial grant planning scheme by €2.5 million. More than 540 businesses have received grant aid approval so far under the scheme. The sustaining enterprise fund will also enable Enterprise Ireland to increase the funding available under its retail online scheme by €6 million and provide an additional €12 million to its hubs and incubation centres. The fund will also enable Enterprise Ireland to fund its new sustaining enterprise scheme. The €124 million scheme is directed at SMEs in the manufacturing and international traded services sector and is available to enterprises with more than ten employees that applied for funding from a financial institution. This includes SMEs that have applied to the SBCI for the Covid-19 working capital loan scheme. Under this, eligible companies can apply for a minimum of €100,000 and a maximum of €800,000 per undertaking in several forms, including repayable advances, equity and loans. Funding must be approved by Enterprise Ireland by 31 December. While the volume of applications under the scheme has been relatively modest, we expect applications will increase significantly as more businesses resume trading.

It also means we can increase the funding available under the local enterprise office business continuity and trading online voucher scheme by €27 million and €6 million, respectively. In excess of 10,600 continuity vouchers and more than 3,200 trading online vouchers have been approved to date. The sustaining enterprise fund is also providing €2.5 million for InterTradeIreland e-merge and emergency services business solutions to help businesses deal with challenges in areas such as online sales, emergency cash flow and loan applications. Aside from the sustaining enterprise fund, the additional capital funding being sought in today's Revised Estimate will provide €250 million for the restart grant. This grant is targeted at micro and small businesses that have suffered a dramatic loss of turnover due to Covid-19 restrictions and need help reopening. The fund is a direct grant scheme for impacted businesses. Grants of between €2,000 and €10,000 are available to businesses that commit to reopening and re-employing their staff. The grant scheme, operated through local authorities, opened at the end of May. We believe that 100,000 small and microbusinesses will apply. Businesses can apply online and payments will be made directly to businesses by electronic funds transfer. It will be a straightforward and efficient application with an assessment to make things as easy as possible for businesses to reopen, restock and re-employ staff. More than 15,000 businesses applied for the new grant scheme in the first week.

The additional capital will provide the necessary funding for significant increases to finance measures, including an increase of €450 million in the lending available through the SBCI. This will be achieved through an expansion of the €250 million in the Covid working capital scheme and an expansion of €200 million in the future growth loan scheme. The working capital scheme was originally launched as part of our budget 2018 response to Brexit and was redesigned in light of the challenges posed by the pandemic. The revised Covid scheme, a joint scheme with the Department of Agriculture and Marine, is administered by SBCI and was an immediate first step in meeting the liquidity needs of SMEs. The additional funding of €250 million will help SMEs and small mid-caps negatively impacted by Covid-19, to access appropriate and competitively priced finance for their working capital needs. The scheme provides loans from €25,000 up to €1.5 million, with the first €500,000 unsecured, and a maximum interest rate of 4%. The costs of the scheme are split on a 60:40 basis between my Department and the Department of Agriculture and Marine.

Up to €27.6 million in funding is required to meet the cost of the Department's contribution to the €200 million increase in lending under the future growth loan scheme. This scheme was originally launched in April 2019 to respond to an identified market failure in the availability of long-term lending for investment purposes to SMEs. However, as with the working capital scheme, the future growth loan scheme has been repurposed to assist enterprises in responding to Covid-19. It aims to support appropriately financed strategic investments by SMEs, including farmers and fishermen, as well as small mid-caps to recover from the impacts of Covid-19, adapt for the post-Brexit environment and transform their businesses to achieve growth, sustainability and resilience. It seeks to provide longer-term financing by SMEs, including farmers and fishers, and small mid-caps in the event of alternative State help not being available. This will enable them to manage payments of current and accrued liabilities related to trading that have arisen as a consequence of Covid-19.

Loans under the expanded scheme will range from €25,000 to €3 million per eligible business, with loans of up to €500,000 available unsecured. Loan periods of seven to ten years will be made available for investment loans, and of five to ten years for financing debt management. Competitive interest rates will be applied.

The future growth loan scheme is also administered by the SBCI, backed by the European Investment Bank and the European Investment Fund. The cost of the scheme is being met by my Department and the Department of Agriculture, Food and Marine on a 60:40 basis. Loans to the value of €140 million have already been approved under the scheme.

The microenterprise loan scheme was originally established in 2012 to provide loans to microenterprises that cannot obtain funding through traditional sources. With the advent of the current crisis, a discrete Covid-19 loan was introduced to help them to access funding. Covid-19 loans from Microfinance Ireland, MFI, are available for eligible microenterprises that are facing a reduction in income or profit of 15% or more. Loans of up to €50,000 are available with terms that include a six-month interest and repayment moratorium, with the rest of the loan repaid over the remaining 30 months of the 34-month programme. The demand for MFI help continues to be very strong, with more than 580 loans with a value of nearly €15 million approved so far, and many more expected.

It is obvious that more needs to be done, so the Department is developing a further set of interventions ready for the July stimulus programme and then we will do further work in advance of the new economic plan for October. Some actions such as the discrete Covid-19 guarantee credit scheme, further expansions to the microfinance loan fund and the future growth loan scheme require primary legislation. This is currently being drafted.

Apart from the additional Covid-19 funding, the Revised Estimate of €1.4539 billion presented to the House today also includes the funding required to operate the normal programmes in jobs and enterprise development, innovation and regulation. As set out in the Revised Estimate, a total of €951.7 million is being provided to fund various activities under the Department's jobs and enterprise development programme. This is more than double the original provision intended for this year. The vast majority of this additional allocation is as a consequence of Covid-19. Funding of €951 million will ensure normal enterprise development and job creation activities can continue. Additional funding is also being provided to enable our enterprise agencies to respond to the UK's departure from the EU. With the innovation programme, a total of €414.2 million is being requested in the Revised Estimate. This funding will help various innovation and research activities and our membership of international research organisations,

including the European Space Agency and the European Southern Observatory.

It is vital to our long-term recovery that we fund the second phase of the disruptive technology innovation fund and the renewal of the SFI research centres programme. The €87.9 million in funding that is sought for regulation will ensure we can continue to promote a business environment that facilitates investment and development, competition in the marketplace, and high standards of consumer protection and corporate governance. Our regulatory offices and agencies have been at the forefront of our Covid-19 business response, helping consumers and businesses as the country navigates through the return-to-work plan.

Today we are also seeking the approval of the Dáil to carry over €42.15 million in unspent capital from 2019 for use this year. The underspend arose as a result of a significant increase in own-resource income generated by the agencies. Of this money, €23.5 million will be allocated to Enterprise Ireland to help the Border region to prepare for Brexit; €6 million will be provided to the local enterprise development offices; €3 million will be given to MFI for recapitalisation to meet increased demands arising from Brexit; €6.425 million will be allocated to SFI; €425,000 will be provided to meet commitments under the programme for research in third level institutions; and the final €2.8 million will be for the disruptive technology innovation fund this year.

As we all know, Brexit is still a major challenge, and the Revised Estimate presented to the House today provides further Exchequer funding to continue the critical work in preparing our businesses for it.

Budget 2020 recognised the potentially disastrous effect of a no-deal Brexit. While we hope the ongoing discussions will be successful, the possibility of there being no agreement cannot be ruled out. Budget 2020 made provision for a contingency fund to be made available in the event of a no-deal Brexit to help those enterprises and sectors most affected. This contingency may be required and will have to be given further consideration in the months ahead.

I present these Estimates to the House to ensure we can continue to assist businesses impacted by Covid-19 and to operate our normal enterprise, innovation and regulation programmes. Failure to approve the Estimates would mean that the Department would no longer have a legal basis to provide this help or operate its programmes, which would have devastating consequences for businesses and, indeed, everyone in those businesses who is trying to return to work.

I welcome the opportunity to discuss the Revised Estimates with Deputies.

An Ceann Comhairle: I thank the Tánaiste, and we wish him success in his new role. The next slot is with Fianna Fáil, which has 15 minutes. Have we Fianna Fáil Deputies offering? No. The Sinn Féin Party is next, then. It has 15 minutes. I call Deputies Munster and Ó Broin.

Deputy Imelda Munster: I hope the absence of any Fianna Fáil representative to speak on behalf of SMEs is not a sign.

I welcome the opportunity to contribute on the Revised Estimates, which Sinn Féin will support. We are in a situation where entire sectors of the economy are at risk of failure if the State does not provide adequate supports and incentives for SMEs. I do not mean to say that this will happen. If the State and other stakeholders do their bit, there is no reason it should happen, but given the current level of support on offer from this Government, it is a real danger.

A number of schemes have been introduced since the crisis began. Some have been more successful than others. Unfortunately, only one Covid-specific grant scheme has come on stream. We all know that businesses are struggling with the low level of grant funding, which is estimated by IBEC to be an average of €3,000 per firm.

In the Revised Estimates, the additional €483 million for enterprise supports falls entirely within programme A - jobs and enterprise development. The majority of that amount will go to Enterprise Ireland and double the allocation previously made under this heading. Given the scale of the current disaster, however, it is an extremely small allocation.

The main allocation under this heading comprises €180 million to the sustaining enterprise fund and €250 million to the restart fund, amounting to €430 million. The remainder appears to be additional funding to Microfinance Ireland, the future growth loan scheme and local enterprise development.

At the end of this debate, the Tánaiste might be able to answer a question on business continuity vouchers. A number of weeks ago, I received a response to a parliamentary question from the Minister, Deputy Humphreys, where it was made clear that the business continuity voucher scheme was to be closed to new applicants. Does its allocation of €27 million under these Estimates mean that the scheme will reopen or is this money that has already been spent and the scheme will remain closed?

I had assumed that these figures would be much higher. Does this mean that the Government does not expect increased funding under the restart grant scheme? Once the €250 million is gone, will the scheme close? What about the July stimulus? Does the Government expect to introduce a Supplementary Estimate later in the year to accommodate that or should we be worried that very little Exchequer funding will be allocated to it?

We know what is needed - we have been saying it since the crisis began. We need grant aid for businesses and we need interest-free loans for those who are in a position to borrow. We also need options for businesses to deal with rent and other debts. None of these matters has been adequately addressed, though. The same issues that were there on day one are still there and there has been so sense of urgency from the Government in addressing them.

We welcomed the temporary wage subsidy scheme, TWSS, and the pandemic unemployment payment, PUP, that the Department of Employment Affairs and Social Protection introduced as well as the introduction of several loan options, the restart grant and the rates freeze, but these should have been initial steps. This is simply not enough at this stage of the crisis.

Some practical measures were introduced by Government, including the restart grant and the rates freeze. I will speak shortly about the issues around the restart grants but we need clarity on a further suspension of rates, in particular for sectors that will not be recovering any time soon. These are a good start but we need to build on this and introduce further measures such as additional grant aid targeted at specific sectors, interest-free loans, measures to manage debt and rent and ways to stimulate growth and development. The Government might consider Sinn Féin's proposal for the tourism and hospitality sector as a starting point. We also put forward ideas for grants and loans to the Minister for Business, Enterprise and Innovation and the Minister for Finance. What businesses need is very clear. When one looks at the Department's loan tracker, the number of enterprises availing of these loans is worryingly low. Under the Covid-19 working capital scheme, only 584 loans were sanctioned, only 581 under

the Covid-19 loan and six under the sustaining enterprise fund. Grants have unsurprisingly had a stronger uptake, with 9,754 restart grants sanctioned, 10,642 issued under the business continuity voucher and 3,218 under the trading online voucher. If we want to genuinely support businesses we need more grants and interest-free, easily applied for loans. The uptake figures speak for themselves. I hope this is reflected in the July stimulus plan. If it is more of the same approach then businesses will, I fear, be in real trouble.

Loans that have interest rates a percentage point or two below what they were in February are not going to save Irish SMEs. They need grant aid. Then we need loans without interest, which thankfully we are in a position to provide at this time due to the low cost of borrowing and changes to state aid rules. Grants will obviously cost the State significantly, no one is saying otherwise, but it is not money down the drain. It is an investment in our future and one that is long overdue.

It is high time that Irish SMEs were prioritised by Government. Giving grants to SMEs at this time will save us money in the long term, people can stay in their jobs, businesses will be able to diversify and communities and town centres will be supported. If we do not provide grants businesses will fail, people will lose their jobs and there will be a knock-on effect on other businesses and sectors that we know are already in dire straits. Every business group has said this, and we know it. The only group that is not on board appears to be the Government.

Will the Tánaiste clarify what businesses can be expect will be announced in the July stimulus package? There has been so much uncertainty in recent months. Businesses need to plan and to know what is going on.

Other countries have provided much more comprehensive support for businesses from the very beginning of the crisis. Germany and Britain had much higher loan and grant amounts available to ensure that businesses maintained liquidity. In Germany businesses with up to ten employees were eligible for grants of up to €15,000. Up the road in the North, the average available to businesses is between €10,000 and €25,000 in grant aid, depending on the type of business. The average grant received by Irish businesses is by comparison a paltry €3,000 and there is only one Covid-specific scheme available, and it is clearly not enough. Goodbody has estimated that Ireland has given out €95 million in liquidity supports while Britain has given out €41 billion. If one scales the British supports to Ireland that would be €4.5 billion, 4.5 times more than the Government is currently offering.

I have spoken on numerous occasions about the problem with the restart grants. They are badly designed and underfunded. We need to end the link to rates that bar so many other people from applying. We need to ensure that those most in need are given the best chance of survival and we need much more in the pot than €250 million.

Loans and debt are other issues we need to address. Will the Government make provision for interest-free loans for small businesses or will the profit of banks continue to be a priority for them? What plans does the Government have to address the matter of debt? They are still accumulating debt and have been doing so since March. Last week, IBEC estimated that the average Irish SME has run up debts of €50,000 during the lockdown. Some of this is owed to banks and large corporate landlords, groups that might have to take a hit in light of the current situation, but much of the debt will be owed to other small businesses so the knock-on effects of this could be catastrophic. Businesses need a support plan now. Will the Tánaiste confirm the Central Bank and Government are formulating a plan of this type which does not rely on

the State to step in and take on the debts of major landlords and banks and other large profit-making entities? Will the Government consider getting rid of tax breaks and loopholes provided for CEOs of multinationals and multinationals themselves to free up spending for small businesses? We need to see a radical shift in how the State interacts with SMEs. It cannot be piecemeal. If we are to recognise the importance of SMEs in terms of our economy, employment and communities we must shift the balance from kowtowing to foreign direct investment and focus on investing in SMEs for the duration of the Government.

In terms of cost we need to be strategic. Blanket measures were initially implemented by the Government in terms of supports. This was appropriate at the time but now we have a clearer idea of what is needed and we can be more strategic. Not every sector suffered. Some need more help than others and we need to treat sectors according to their need. We cannot give up on vulnerable sectors.

We keep hearing about the new normal. This has to include a changed attitude towards how we deal with SMEs and the State re-evaluating how banks, corporate landlords and multinationals are put on a pedestal and cannot be interfered with in terms of their profits. We need an entire systems change whereby the State will intervene in private business for the betterment of the economy. It will not cost the State money but the benefit for SMEs will be enormous. The State should be able to instruct banks and large landlords to take action that might interfere with their profits in the short term but will ensure the State's economy can benefit as businesses stay open, jobs are saved and local economies are protected. The time for asking them nicely is long over. We do not think the State should step in and write a blank check; nobody is saying that. We are just asking that everyone takes their fair share of the burden. Certain interest groups are always protected by the State but this time they will have to do their bit. The State should invest in business in a targeted and strategic way, and that way we will reap the rewards for the economy generally.

I ask the Tánaiste to answer a couple of questions on the new grants. Does the Government have plans for new grants? Will the Tánaiste ensure the groups that have been excluded for arbitrary reasons will be included? Will more than €250 million be allocated for restart grants? That money is clearly not enough. Will a debt management plan be included in the July stimulus?

An Ceann Comhairle: Is the Tánaiste in a position to respond to some of Deputy Munster's questions?

Deputy Niall Collins: I seek clarification. There has been a bit of confusion about speaking slots. Do I still have an opportunity to speak?

An Ceann Comhairle: Yes, we will accommodate Deputy Collins in a minute but we will let the Tánaiste respond to Deputy Munster's questions.

Deputy Leo Varadkar: I will respond to as many of the Deputy's questions as I can now and perhaps revert to her other queries by correspondence. I am two days in the job and I am not across everything just yet but I promise I will get there very soon.

With regard to the supports that are in place for businesses, there is a very long list of them but they really fall into four major categories, one being the wage subsidy scheme whereby the Government is paying the wages of the best part of 500,000 staff, the restart grant, the rates waiver and the various loan schemes that help businesses with working capital and to restruc-

ture their debts. Nearly 500,000 people's jobs are being sustained by the wage subsidy scheme.

Deputy Imelda Munster: I sent the Tánaiste-----

Deputy Leo Varadkar: If the Deputy wants to go over the details of the restart grant, which have been provided to her, 34,000 businesses have claimed it so far but only €61 million has been drawn down. This Estimate, if passed today, will provide €250 million. That still leaves the best part of €180 million to be drawn down.

We are not dealing with the July stimulus plan today. That will require a further Estimate down the road. We are examining matters such as an extension to the wage subsidy scheme, an extension of the rates waiver, improvements to the existing loan schemes - and I know some people understandably feel that the terms are too short-----

Deputy Imelda Munster: My question is on the restart grants and on those who have been excluded from applying for some for arbitrary reasons. Will the Tánaiste extend the restart grants application process to those many small businesses that have been excluded from it and have no supports whatsoever? Private bus and coach drivers in particular have no supports.

An Ceann Comhairle: The Deputy has made her point. We will hear the Tánaiste's response. He indicated that he would correspond with the Deputy on this.

Deputy Leo Varadkar: I am afraid I do not know what the Deputy means by "arbitrary" in this context. The way the restart grant works is that a business has its rates refunded. If a business did not pay rates, then it is not arbitrary for that business to not get a rates rebate. It is a common sense approach but that is not to say there are not other schemes that might help businesses. For example, there is a scheme for people who are sole traders or are self-employed and who do not pay rates but they can get a grant of about €1,000 if they are coming off the PUP. A fund was announced last week for sports clubs, for example. Some of those sports clubs can claim from that but there is no arbitrary removal.

An Ceann Comhairle: The Tánaiste will correspond with Deputy Munster on the other questions. We will go back to Fianna Fáil and Deputy Niall Collins.

Deputy Niall Collins: I apologise for the confusion earlier and I thank the Ceann Comhairle for his indulgence. I wish the Tánaiste and Minister for Enterprise, Trade and Employment, Deputy Varadkar, well in his brief. We face very challenging times and the business sector is very worried.

An Ceann Comhairle: Deputy Troy is gesticulating furiously from the Gallery.

Deputy Niall Collins: Where is he?

An Ceann Comhairle: Do not fall over Deputy Troy.

Deputy Robert Troy: If you acknowledge me-----

An Ceann Comhairle: We have spotted you. Do not worry.

Deputy Niall Collins: Do I have to share time?

An Ceann Comhairle: You are supposed to make your own arrangements. It is not my job to arrange the slots for you but in the circumstances I take it that you are sharing time.

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Deputy Niall Collins: I will take about five minutes and then I will pass over to my colleague, Deputy Troy, if that is in order.

I echo the point that the business sector is very worried and the July stimulus will have to have a real and meaningful impact to allow the business sector to plan with confidence. We have to ensure that is enshrined in the July stimulus.

Businesses have opened in recent weeks and this week in particular. I want to mention the temporary wage subsidy scheme, which has been a huge help. Businesses in Limerick and the mid-west are saying to me that they want to see it continue for as long as possible. They realise it cannot go on forever and are saying that when a decision is taken in a number of months' time, which I am sure it will be, the scheme should be tapered off and not just come to a shuddering end. There has been mention of the warehousing of tax liabilities, which is an imperative measure that is going to have to be made available to the business sector. Going forward, we will have to ensure that all businesses have the ability under tax code and legislation to carry back the losses they incurred in the financial year of 2020 against last year's tax liability and possibly against the previous year's tax liability, rather than just allowing them to carry forward losses. For some businesses, only the carry forward of losses is permitted, and the Minister for Finance will have to look at that.

I am particularly keen for the Tánaiste to take an interest in how the insurance industry has been conducting itself, particularly in the wake of the issues surrounding business interruption insurance and the declining of valid, legitimate claims, by FBD particularly, across the hospitality sector. We know that our insurance industry has been operating in a cartel-like environment and manner in recent years. Some measures have been and are being brought to bear in the programme for Government to deal with these issues, to try to lessen the cost of insurance premia to businesses and to bring more regulation and transparency to the industry. It is vital, however, that a strong message is sent from every Minister and from Government that the conduct of FBD in particular simply cannot be countenanced.

Regarding business restart grants, the issues which have been brought to the fore, particularly in the context of businesses having to be ratepayers, need to be addressed in the July stimulus. Many businesses, new-start enterprises and operations are operated by sole traders and new micro startups that do not have commercial rate numbers or rate accounts. Every measure has to be carried out to ensure that such businesses are fundamentally incorporated into the July stimulus.

It has long been a bugbear of many businesses that, given what people pay for their commercial rates, they do not feel they get a good enough service from our local authorities. Despite all the chaos the pandemic has brought upon us, there is now a great opportunity to carry out a fundamental root-and-branch reform of our commercial rates system. The Government should seize this opportunity. Many ratepayers have had their rates liability suspended during the pandemic and will have it suspended for another indefinite period, I presume, but the opportunity now exists to look at our whole commercial rates structure sector by sector. In some sectors there could be, for example, a turnover-based system. The old valuation-based system we have is simply archaic, punitive and arbitrary and adopts a one-size-fits-all approach which is simply not fit for purpose.

Finally, access to finance in this country for small and medium-sized businesses is so difficult. It is shrouded in red tape. The hoops businesses have to go through to avail of finance

are onerous. As for the cost of finance, we can get finance at 0% cost from the European Union and the other funders providing finance to the State. By the time this gets through the pillar banks to SMEs in the form of an overdraft facility or a loan, the charge of 4.5% or 5% is simply price-gouging. We need to call it out for what it is. We have to find a way to get that finance, which we are getting at zero cost, to our SMEs at zero cost. That is a very important point. There is also an opportunity now for our main pillar banks to refinance a large portion of our mortgage loan books and commercial loan books at a lower rate. We have had a huge issue with the variable mortgage interest rates charged in this country. They are a couple of percentage points above comparable charges right across Europe. There is an opportunity now for our banks to refinance entirely their loan books at this 0% charge, take their small margin - and they are entitled to take some margin - and refinance mortgage and commercial loan books up and down the country to help business.

Deputy Robert Troy: It is quite hard to make sure we are seen when we are so far away from one another. I welcome the opportunity to contribute to this debate. We are supporting the increase in the Estimates. Clearly, SMEs have suffered greatly in the last number of months. Our SME sector is the backbone of this economy. It is a sector which employs in the region of 1 million people. The forced closure of the economy and our SMEs for the sake of public health has left them in a precarious situation. It is so important that the July stimulus gets the support measures correct because if we do not do that, we run the risk of viable businesses going out of business. If that happens, we will see job losses throughout the length and breadth of this country. That is something we have to prevent. That is why it is welcome to have an opportunity to contribute to this debate and to highlight some of the issues I feel need to be addressed in the July stimulus. I acknowledge that many proposals in the programme for Government will help to address that, if and when they are enacted.

Previous speakers have alluded to the temporary wage subsidy scheme. It has been a lifeline to so many businesses. As previous speakers have said, it is important that certainty is given to businesses that this will continue for a number of months and will be tapered off as their turnover improves. We need to look at extending it beyond the number of people who are currently accessing it. Many people, particularly in the hospitality sector, take on seasonal workers and those workers cannot avail of the temporary wage subsidy. We need to look at extending it to seasonal workers.

I wish the Tánaiste luck in his new role. I was interested to listen to him speaking about how much of the restart grant fund has been drawn down so far. As I mentioned to his predecessor, I think the restart grant is too restrictive because it is solely based on businesses' rates in 2019 and takes no account of the costs associated with reopening a business, such as providing PPE gear and screens and doing whatever work needs to be done. In Westmeath, the median rates of our businesses in 2019 was €1,800. That means 50% of the businesses in Westmeath were paying €1,800. At best, they will now get €2,000. It is not a lot of money for businesses that have been closed for 14 weeks and have large expenses in reopening.

I brought it to the previous Minister's attention that I have been contacted by a number of viable businesses that have gone through the SBCI and received approval but, having received such approval, have gone back to their pillar banks to be told they will not lend. What will be done for businesses that cannot access liquidity? That is why it is so important that, as a priority in the coming weeks, the credit guarantee scheme is enacted with favourable rates and with very little bureaucracy in terms of how businesses can avail of it. We should not have a situation where we charge businesses who have been through so much 4% or 4.5% interest rates at a

time when the State is borrowing at less than 0.25%. We need to ensure viable businesses can access liquidity at favourable interest rates, just like the rest of our EU counterparts are doing for their businesses.

I have engaged with many of our representative bodies regarding commercial leases. Commercial landlords are dealing with their tenants on a case-by-case basis. In some instances, it must be acknowledged, they are dealing with them favourably; in other instances, they are not dealing with them favourably at all. We need to ensure a code of conduct is put in place so that people know exactly what is expected of them in dealing with their commercial leases.

Regarding the restart grants, I was interested that the Tánaiste said there is a payment of €1,000 available for people who do not pay commercial rates. For somebody who has been out of business for 14 or 16 weeks, €1,000 is not adequate. There is a golf club in Mullingar whose owner pays commercial rates every year but has been told that the club does not qualify for sports capital funding because it is a business. We should extend the restart grant to businesses such as that.

Finally, as alluded to earlier, we must ensure that the new Government makes insurance reform a top priority. The manner in which insurance companies have been dealing with their customers is simply appalling. We have a situation where businesses in the hospitality sector are having to go to the High Court to get what they are entitled to. FBD Insurance, for example, had previously written to business customers telling them they were covered for business interruption, but the company is now resisting all attempts to pay out on those policies. It is not good enough. If we look across the water, the Financial Conduct Authority in the UK has instigated a test case on behalf of customers. It is representing 17 or 18 customers and bringing their cases to court. Where is the Central Bank in all of this? It has issued letters and said what it would like to be done but where is it in terms of enforcement? It is not good enough that people who have paid excess premiums to have a policy in place are being forced into the courts system to get what they deserve. I hope and believe, based on the commitments in the programme for Government, that the insurance reform that has been promised for so many years will be delivered very early in the lifetime of the new Government.

Deputy Bernard J. Durkan: I wish the Tánaiste well in his new role and congratulate him on his stunning performance in his previous role. I also wish the Taoiseach and the various Ministers well in their roles. We find ourselves at a very important juncture in regard to the future of business and industry in this country. The issues that are unfolding before us are part of what must be a new agenda. We are facing new challenges and more will emerge on a daily basis. Previous speakers have noted that we are in a situation now where we are required to monitor what is happening in the business sector as time goes by. Challenges will emerge in various aspects of the sector, whether in manufacturing or, in particular, the services sector, which is very vulnerable to whims and changes in the marketplace. We also must have regard to how other European countries are treating the issues that are arising. We must recognise that the pandemic was a Europe-wide issue that affected everybody and will continue to affect everybody, and that we had no control over its visitation or when it is likely to leave. Great efforts have been made to contain it and we are thankful that they have been successful thus far.

The issue I want to emphasise is that we are in a new business environment. Other speakers referred to credit and the availability of credit. This is hugely important because the challenges that are facing the various sectors are unique. They have not been touched upon before other than during the financial crisis. Many people in industry and in the small business sector are

just emerging from the challenges of the financial collapse only to find there are new challenges coming before them and trying to beat them back to where they came from. The availability of credit is vital for businesses, along with the grants and all the other assistance that has been referred to. During the financial collapse, credit disappeared overnight and remained gone for a very long time. As every day passed, more and more damage was done to the business sector, particularly the small and medium-sized enterprises. People have raised questions and said that if businesses are really successful they should be able to re-emerge in any event. That is not so because that is not the way business works. Business requires credit. It cannot work without it. I ask the Tánaiste to pay special attention to the request from the sector regarding the availability of credit because that is what will revive the business sector.

I also want to say a few words about the EU and how it deals with the recovery. People will say that we are a wealthy country and that we are net contributors to the EU. That may well be the case but we are affected by the pandemic in the same way as every other European country and our economy is equally affected by it. We must recognise the urgent need to ensure we avail of whatever is coming from the eurozone, and from European countries in general, from the substantial budget that has already been put in place. It is of critical importance that we avail of it insofar as we can and for as much as is possible because we will get no credit whatsoever for being the cool heroes and saying we will leave this to others who are less well off. Despite our recovery from the financial crash, we are not so well off that we can afford to say we do not want any further assistance. We do and we need to avail of it as it becomes available.

I have used most of my five minutes and any of my colleagues who wish to speak can do so now.

Deputy Alan Farrell: I will be brief as I will be taking the Chair in a moment. I congratulate the Tánaiste on his new role and wish him and the Cabinet well. I reiterate what has been said by a number of colleagues regarding liquidity and the importance of simplifying the process of availing of such loans through the State mechanisms that have already been provided. Among all the reading that I have no doubt Ministers will be doing in the coming days and weeks, it is worth considering the potential for a business-led simplification of the likes of the SBCI process, among other things. There are opportunities to recognise the complexity of the existing processes and there is room for improvement in that overall process.

I echo some of the comments made by members of the business community at the Covid-19 committee this morning. They provided estimates of upwards of €15 billion to stave off the closure of thousands of businesses across this State in the coming weeks and months. While I accept that is an extremely difficult ask, there are steps we should take to provide as much of a stimulus as we can as part of the July package on which the Minister, the Tánaiste and the Taoiseach are working. It will be a very interesting process to go through that in this Chamber over the coming weeks.

My final remarks relate to a question that has been asked by a number of individuals and the Tánaiste might consider it in the coming days. While local authority rates are not a huge amount of money for the vast majority of businesses, are we storing up problems by deferring rates rather than waiving or partially waiving them for certain small to medium-sized enterprises? They are the ones that are going to struggle the most when attempting to reopen, regardless of whether they started doing so yesterday or will start in the coming days. It is an exceedingly difficult task to restart having been closed for two or three months.

Then there is the probability that the rates bill will present itself at a later date, so perhaps some consideration can be given to that. I am grateful for the opportunity to address this important Estimate.

Deputy Martin Heydon: I am sharing time with Deputy Higgins. I wish the Tánaiste well in what is a crucial role for the country as we face the rebooting and reopening phase for the country after what has been a traumatic few months for everybody, not only from a public health perspective but also from the perspective of business, people's livelihoods and employment. When I hear much of the analysis and the calls for different levels of support, I am a little wary of the specific figures being put forward on what different areas of the business sector need. The truth is that as businesses reopen it is only then that we will learn what the consumer wants and how consumer patterns will change. In tourism, retail and other areas of the service industry, we will not continue to live our lives in the same way. People will go about their lives differently. From a public health perspective, we need them to do that to a certain extent with social distancing and the important etiquette to which we need them to adhere. In addition, their fear still exists, and in view of the risk of a second surge and the health warnings from the World Health Organization, the Chief Medical Officer and others, we need them to have that fear. While it is healthy that it is there, it means we cannot tell exactly what the impact on business will be and exactly what the requirements of business will be with regard to liquidity, credit and supports for employees.

1 o'clock

The measures taken to date, which were effectively introduced overnight, have been crucial. Supporting the link between the employer and employee, as the wage subsidy scheme has done, the restart grant and the rates measure are not perfect systems. They were designed at very short notice and anomalies will arise. I believe the July stimulus package is a good opportunity to address some areas, such as bed and breakfast accommodation in the hospitality sector and the bus sector, which have challenges but do not pay rates. I and my family are looking at holiday homes in Ireland to book a week or two in August but it is almost impossible to get anything now. That is great. It is a very good sign that many people are deciding to have a staycation at home. However, I wonder if it is also a sign that perhaps the hotels are not opening at full capacity or do not plan to do so. One hears stories that family-run hotels in tourism areas are not taking back their part-time seasonal workers. They are retaining their permanent staff whom they have employed all year, but the other jobs are critical to rural communities as well as urban areas and for students who are on their summer holidays but cannot now use the J1 visa. One can quickly see the knock-on implications for the economy if we do not get this right and continue the supports in the July stimulus package. I am aware the Tánaiste has taken that on board.

One can look at a number of areas but I will conclude with one point. I have read some academic arguments which say that the State must be careful about who it bails out, and that some businesses were in trouble before Covid-19 arrived and we should only direct the money and supports to certain areas. I offer a word of caution and a counterargument to that. Even if a business was struggling and its model was not perfect, it can always have the opportunity to adapt and learn. We must give it every chance. However, even if it is a doomed model in whatever scenario, it might owe money to another business that has done everything right. It might owe €30,000, €40,000 or €50,000 to that company. If we let companies fail on that basis, there can be knock-on implications for second-tier and third-tier companies that are suppliers in that industry or sector. I do not believe the Government should be playing God in that and picking who survives and who does not.

We should give every business the opportunity to rebound. Irish businesses and Irish entrepreneurs are remarkably resilient and I believe Irish people are ready to support their local businesses. There are many challenges, but one can see the take-up for the online token which was greatly oversubscribed. The Tánaiste's predecessor, the Minister, Deputy Humphreys, had to put an extra €12 million into it. These are the things we should bear in mind and these are the challenges the Tánaiste faces. I wish him very well in that endeavour.

Deputy Emer Higgins: Yesterday marked a milestone for many businesses across the country. It was fantastic to see businesses opening their doors after so much time and being available to their customers. Certainty is being brought back into their lives. I have visited many of my local businesses and it was stark to see people being served by staff who were behind visors or having treatments delivered by people wearing face masks. It is a visual reminder of how much society has changed in recent months and how much our businesses have had to adapt and pivot to maintain their profits, but also to maintain jobs.

The grants and the business support schemes put in place by the outgoing Government have made a significant difference. They have been able to provide the certainty for businesses and employees that was needed during these exceptionally uncertain times. Some of the feedback I got from local businesses that I visited in recent days, such as pubs in Rathcoole, the jewellers in Lucan and some of the cafés in Lucan village, is that, as entrepreneurs and small businesses, they are finding it difficult to cut through the paperwork and the red tape to access some of those grants. In particular, the restart grant in my own local authority area has a six to ten-week turnaround time but businesses have not been given that information and have not been told they are in a queue and that the local authority will get back to them in six to ten weeks. What can be done to provide certainty? How can people be given access to that level of information? How can we make their lives, as small businesses and entrepreneurs, a little easier during this very difficult time?

I thank the Tánaiste for everything he has done to lead Ireland through the crisis in recent months. I am very pleased he has taken on this brief because it will be the most critical brief at the Cabinet table in the coming months as we get the economy back on track, so we can make sure people have money in their pockets and that we can return to normality in our society.

Deputy Neasa Hourigan: I have a number of questions. I know we would normally go back and forth but, given the nature of the convention centre room and the fact we are only two days in the job, I might go through as many questions as I can before hearing the replies.

There is some worry among consumers that businesses are in a vulnerable state and, obviously, it is incredibly important that we support local businesses by booking where we can and by shopping local. I agree with the previous speaker that it is lovely to see businesses start to open up again. The issue is that consumers need to know businesses are supported by the State as much as possible, in particular where advance booking is required, and that future support and stimulus packages for businesses are on the horizon. Perhaps we should look for more widespread attention on that issue because we need to increase not only business confidence but also consumer confidence in those businesses.

As the global recovery picks up, global warming will not slow down, unfortunately. Ireland faces emissions challenges but we now have an opportunity to ensure that our investment strategy supports a just transition, reduces emissions and rebuilds a fair and circular economy. Has the Tánaiste plans to ensure that the most carbon intensive sectors of our economy that

currently or in the future might be in receipt of public money will increase their contributions to emissions reduction targets? Have “strings attached” supports been considered that may require emissions reduction business plans, environmental management strategies or certifications such as ISO 14001, which is very effective in achieving that?

We must also ensure we get those on low incomes back to work as soon as possible and that we support labour intensive work, particularly in the building industry, rather than what we tended to do in past recessions, which was to focus on large-scale investment projects. To facilitate this, we need to ensure we are giving people training in new industries, such as renewable energy, insulating homes and rewilding projects. Properly insulating homes will be vital for meeting existing targets and is very labour intensive, and it would also create additional jobs in supply chains and help those most affected by fuel poverty. Will the Tánaiste outline his plans to support the labour intensive SME energy retrofitting industry to create jobs in every town, cut fuel poverty and avoid climate change penalties?

As the Tánaiste will be aware, the Future Jobs Ireland initiative was published last year. It highlighted the need for public policy to be directed to the enhancement of the quality of jobs in Ireland, given we have a high level of precarious work, to allow for a better standard of living. Crucial in this will be the need to provide incentives and supports for SMEs, particularly for those businesses that provide local employment, which tends to be immune to offshoring, and for those businesses that pay the living wage. What are the Tánaiste’s plans to ensure Government support will be used to keep the quality of jobs created and retained a central concern, as any failure to do so may only further the job quality divide in Ireland?

Given the potential for both a global recession and an increase in protectionism such as we see emerging in certain countries, there is a chance that new foreign direct investment may reduce and existing foreign direct investment may be scaled back. Has the Department modelled scenarios in which there is more of a focus on growing indigenous business rather than continuing to rely on foreign direct investment?

I will talk for a moment about community solidarity, which is the opposite of foreign direct investment in some ways. There is a number of fantastic businesses in the central Dublin area. I am particularly thinking of a zero-waste whole foods business in Drumcondra in my constituency. This business has started to help out adjacent businesses such as cafés and restaurants by allowing them to set up concessions on its own premises, which are now emptier as the Covid requirements force businesses to space things out more. This business is helping small businesses to set up concession stands. It is marvellous to watch it happen. Will the Department consider the supports that could be offered to such initiatives through LEOs or Microfinance Ireland? As circumstances change, there may be ways to innovate within our SME sector.

We are still at an early stage in our recovery and in our experience of living with the Covid pandemic and operating our economy within it. We were already grappling with a crisis in the insurance industry, which presents its own challenges to the business sector. If there is an outbreak or Covid cluster in a business such as a café or restaurant, will the owners face any insurance liability? Has the Department considered this or how it might support businesses experiencing such impacts?

Businesses are struggling with cash flow. The collapse in consumer spending and the resulting cash flow problems for businesses were not, however, the result of instability in our

financial system or a collapse in the property bubble but rather the result of the social distancing restrictions, the lockdown and the consequent closing of our retailers and hospitality businesses. Over this time, consumers have saved a large amount so there is capacity in our financial system. We propose that advantage be taken of that situation and that we look to co-operative business models and promote community-based economic organisations. This, again, speaks to the issue of community solidarity. This will not just provide a place for Irish savers to invest their money and allow employees to take a stake in the businesses they want to hold on to and support but will also provide a new source of finance. The co-operative business should be an integral part of rebuilding our economy post Covid-19. Co-operatives are guided by principles of solidarity and economic democracy and are rooted within their local communities. They are run according to the interests of their members rather than those of unknown stakeholders.

How could the Tánaiste develop a supportive financial ecosystem for co-operatives? Currently, the legal, regulatory, auditing and financial institutions of our economy are designed for private companies and tailored to their needs. We see this done better elsewhere. In economies such as that of the UK, there are much clearer supports for co-operative systems. By contrast, co-operatives in the country operate under a framework that disadvantages them and burdens them with a layer of rules and regulations equivalent conventional firms do not face. Can something be done to address the competitive disadvantage faced by co-operatives?

Studies in the UK, where the system is more supportive, have shown that employees of co-operatives report higher levels of jobs satisfaction and economic well-being and higher rates of productivity. Compared with conventional businesses, co-operatives also have lower staff turnover, which represents a major cost for SMEs, as well as lower rates of pay inequality and absenteeism. Will the Minister consider introducing right-to-own legislation to support employee buyouts and the co-operativization of existing businesses?

Deputy Leo Varadkar: I thank the Deputy for her contribution. I may be able to answer a few of her points but I will have to come back to her on others. As things stand, the grants and loans offered, including the restart grant, the wage subsidy scheme and the various loan schemes, are not tied to any particular environmental or social obligations. That may well be the case in the future. Down the line, we might decide not to bail out polluting industries, for example. For the moment, we have taken a blanket approach to try to support every job and every business rather than establishing mechanisms to discriminate between the jobs and businesses we want to save and those we do not. We have taken a blanket approach to date, which has been necessary given the blanket impact the pandemic has had on all sorts of businesses and employment.

With regard to the consideration of labour-intensive options for the July stimulus package, the Deputy has made a very valid point. For July, we need to consider Government investment in labour-intensive sectors in which we can get people back to work quickly. I agree that retrofitting, insulation and rewilding may be among those sectors. Even though construction activity has been under way for six weeks and we are told that 80% of sites are now open, 45,000 construction workers are still in receipt of the pandemic unemployment payment. There is something not right there. I do not know what it is but we need to dig down into that and get people back on site. We also need to provide alternative construction employment for those who cannot return to sites for various reasons. Retrofitting would certainly be top of the list of such alternative jobs.

With regard to Covid insurance, I am not sure whether the Deputy was asking whether em-

ployers are liable for people who get Covid on their premises or whether she was asking about business disruption insurance. All of these issues have yet to be sorted out in the courts. I am not of the view, however, that a business is liable for somebody contracting Covid on its premises unless it was somehow grossly negligent or responsible for it. To my knowledge, nobody has ever successfully sued a business or crèche because they or their kid got chickenpox or the flu on its premises. I do not see why that would apply to Covid but stranger things have happened in the courts with regard to compensation claims.

The issue of business disruption insurance will play out with the Financial Services and Pensions Ombudsman and in the courts in the coming weeks and months. Some businesses are arguing that they should be paid for disruptions to business, while some insurers are saying that such claims are not covered. That will need to be teased out.

On co-operatives, I have visited many of them but I do not know much about their business model. I am not really *au fait* with the competitive disadvantages they face that traditional companies do not. I am keen to find out more about the area and to learn a bit more about it. If there are ways to rebalance the system and the law in their favour to give them a fair crack of the whip, I am very much open to doing so.

Deputy Ged Nash: I congratulate the Tánaiste on his appointment at this very important time for our society and our economy. On behalf of the Labour Party, I wish him well. He, and the new Government in its entirety, can be assured of robust but constructive opposition from myself and my Labour Party colleagues at this critical time for our economy and our society. Where we disagree with the Tánaiste, we will tell him why in robust terms but we will also seek to provide workable solutions and alternatives to any of his plans that we oppose or critique.

The plight of our country is far too serious for us to resort to politics as usual but, sadly, it seems it is business as usual in the Department of Business, Enterprise and Innovation with regard to the schemes for which we are today asked to provide additional support. As a House, we all agree that businesses, particularly our microenterprises and our small and medium firms, which employ more than 1 million people, need urgent support. In fact, they needed it three months ago but the response of the previous Government in providing well designed, accessible liquidity supports was tone deaf. Instead of loans at near zero interest and grants, such as were provided by other EU states, the Government packaged up existing commercial rates of 4% to 6%, which I remind the Tánaiste is double the EU average, and termed them a support. This is despite the fact that 0% interest rates are available from the ECB for us to provide better and cheaper supports to businesses. It appears that this Government is still hell-bent on prioritising the profits and the margins of the banks, partly State-owned banks of course, over direct cash grant-aid supports for community businesses. This strategy is akin to handing a drowning person an anchor instead of a lifebuoy; he or she will simply sink.

The first thing I would expect from the Minister is to re-examine the design of the current business supports that are available, many of which in my view are completely unfit for purpose. This should include a fit-for-purpose 100% credit guarantee scheme, along with direct grant aid, as we have seen in countries such as Switzerland. I have used that example time and again in the House. The Revised Estimates indicate that much of the additional resources the Minister is asking us to allocate to the Department today will go to various Enterprise Ireland schemes and that is to be welcomed. Everything that can be done should be done to rescue viable firms and to support jobs.

Before the Dáil gives the green light to this additional expenditure, it is important we know how many jobs Enterprise Ireland and IDA Ireland believe we may lose this year and therefore the number of jobs this additional funding will help to maintain and support. I hope the Minister is in a position to provide the Dáil with those figures today. This need for urgent business supports does not discount the need for social and environmental conditionality to be attached to them, in particular for large and already profitable companies. We must ensure that we, the taxpayers, are not subsidising the profits of tax-dodging firms to funnel their profits through tax havens, for example. When I raised this particular point with the Secretary General of the Department in the Covid-19 committee earlier this month I was told it was “not on the radar”. Sadly, this country has a less than proud history of providing no-strings-attached bailouts and we are living with the consequences since. This is despite the fact that countries as diverse as Denmark, Scotland, Poland, France and Italy have attached such conditions, so why should Ireland be any different? It is good public policy and normal practice in civilised western European democracies that we would see attached to taxpayer-funded bailouts positive public policy goals. It is important that we use the levers that we have available to achieve a different kind of Ireland. The Minister mentioned it in his response to Deputy Hourigan, and I ask him to make this a priority and to ensure that the taxpayer does not just get value for money but that a range of economic, social and environmental performance indicators and benefits attach to the enormous State funding he is proposing to provide to businesses across the country to rescue them and to support and sustain jobs.

I am concerned that under the regulation heading the Revised Estimate suggests a mere 8% of additional funding on top of what is already allocated for that purpose. On Monday, we entered phase 3 with thousands more businesses reopening and workers returning to their workplace. It is essential that we embed a culture of compliance with health and safety measures that are designed to prevent a second surge of Covid-19 at this early stage. The prominence of Health and Safety Authority, HSA, inspections will be key in this regard, yet the Department does not seem to have revised the output target for inspections. The same number of inspections have been provided for this year as last year, and the number of inspectors in the field does not seem to match the increased need for regulation. In the Covid committee interrogation of these issues a couple of weeks ago the Secretary General of the Department suggested that there would be approximately 500 HSA inspectors on the ground in the coming period. Could the Minister take the opportunity provided to him this afternoon to confirm the number of inspections planned this year compared to last year in the context of the coronavirus? How many inspectors are there currently in the field? What additional cost does that entail and is it accounted for in the Revised Estimate the Minister is asking us to support today?

Deputy Leo Varadkar: It is not business as usual in the Department of Enterprise, Trade and Employment. We have the wage subsidy scheme, which is a massive and unprecedented scheme such as I have never seen in my lifetime. The State is essentially paying the wages of the best part of 500,000 employees in private sector firms so that they have retained their jobs. Nearly €2 billion has been paid out to date. It is one of the better schemes internationally, and that is not the case with every scheme we have introduced. It is money that is paid to companies to pay their staff so it is very much a bailout for the workers rather than for business.

A total of 34,000 businesses have availed already of the restart grant. Approximately €110 million has been approved out of the €250 million, so there is still €140 million to allocate. I am totally open to examining the scheme to see if we can improve it, make it better, more generous and open to more companies and to recognise the high costs the hospitality sector in particular

has in reopening. That can be part of the work that we do in advance of the July jobs stimulus.

In terms of various loan schemes, I heard a few people speaking about the fact that money can be borrowed from the ECB at 0% or 0.5% and they asked why businesses have to pay 3% or 4%. The main reason is not due to the banks' margins, it is due to default. The nature of loans means that some businesses do not or cannot pay back their loans. We have a relatively high rate of default and a very low rate of repossession. That is also the reason we have somewhat higher mortgage interest rates in Ireland than other European countries. When a person or business does not pay back their loan, the cost of that is socialised in terms of higher interest rates on other businesses. When somebody does not pay back their mortgage the cost of that is socialised in terms of people who pay back their mortgage having to pay more. That is why it is such an unfair thing to do, not to pay one's bills and not to pay one's debts because one just passes on the cost to other people. In terms of what we can do in that regard, perhaps we can do better, for example, we will definitely look at introducing longer terms for the loans or a lower interest rate but we need to bear in mind that one always has to factor the default rate into any interest rate.

The question to be considered is who should bear the cost of that. Should it be other businesses or the taxpayer? That is never an easy question to answer. Again, that speaks to Deputy Nash's other proposal, which was to have a 100% loan guarantee. That puts 100% of the risk on the taxpayer, on society, ordinary people and workers. The last time we provided a 100% guarantee it did not work out so well, so we need to think about these things. The concept of a 100% guarantee sounds great. It means low interest rates for businesses, but somebody is paying for that guarantee, and it turns out to be the ordinary person, the taxpayer. That is why I am always a little bit cautious around 100% guarantees. To paraphrase a former banker, I think the bank should have skin in the game, but a 100% guarantee means it has no skin in the game and the taxpayer picks up the bill. I am not so keen on that. I am a little surprised to hear it being proposed by the Labour Party but strange things have been happening in politics of late.

In terms of the HSA inspections for Covid, 5,000 have been carried out so far. I am told we have approximately 500 inspectors but they are not all HSA inspectors. The number includes environmental health officers and people who have been seconded from other areas to help out with the inspections.

In terms of bailouts, to the best of my knowledge we have not yet had to bail out any big companies in Ireland but if we get into that space, as other countries have done, in particular on continental Europe, for airlines or other big industries, then I think in such circumstances there should be social and environmental obligations.

Deputy Róisín Shortall: At the outset I congratulate the Tánaiste on his new post in what is a very critical Department at any time but especially in the current circumstances. I wish him well in his work there.

We are considering the Revised Estimates in the context of three very major challenges. I refer to what has happened already this year in the context of an unprecedented shock to the economy. The second is the ongoing threat from the pandemic and the third is Brexit. The fact is that the backstop was dropped, we are likely to be facing a no-deal Brexit, and we must consider all of the implications of that. Ostensibly, what we are considering today is a supplementary budget for an additional €480 million for the Department of Enterprise, Trade and Employment. To a large extent, it is considering this Estimate after the event. There are many reasons

we are just doing it at this stage and the Social Democrats support this Supplementary Estimate.

It is also important, however, to look at some of the criticism of how the Department has actually been dealing with Estimates. Much good work has been done by the Parliamentary Budget Office. There are two key points made by that office that need to be taken on board. I am not looking for a response from the Tánaiste and Minister for Enterprise, Trade and Employment today but he should note and respond to them at an early stage. It is accepted by everybody that the current circumstances are extremely challenging. However, the Parliamentary Budget Office stated it is regrettable that output targets have not been updated to reflect the new and expanded schemes aimed at responding to the impact of the pandemic. It further stated that, without such indicators, the performance of the additional spending may be difficult to assess. There is no doubt about that. We all accept that everything had to be done very quickly but these are important points. It is assumed that some unit in the Department would be tracking that spending very closely.

The other point that was made by the office is that the Department should consider providing updated performance metrics to the relevant Dáil committee. That is an important point too. Irrespective of the scale and the unprecedented nature of what we are dealing with at the moment, we have to bear in mind that there is a responsibility on the Dáil to ensure all public moneys are spent in a way that gets value for money. Those are two important points that could easily be lost in the context of this debate but need to be taken on board.

Covid is a dynamic situation. Up to last week, the view was that we have got on top of the virus and we need to now move on to dealing with the economy. It is not one thing and then the next, however, because we still live with the threat of the virus and the significant likelihood that there will be another wave or an upsurge at least. From listening to the Chief Medical Officer, we have to be very cautious in that respect.

A measure of that is that IBEC presented recently to the Covid committee. It has good plans and proposals for rebooting and reimagining the economy. One of its three immediate demands is to remove the quarantine restrictions. That is an indication of how, just in the space of two weeks, the thinking on that has changed and the dynamic involved. We all accept the urgency of reopening the economy, but it is so dependent on getting the response to the virus right, however. That means having a quick response to any outbreak and being back in a position where we can do the necessary testing and tracing, as well as the asymptomatic testing and tracing in high-risk areas. All of these issues are connected.

SME Recovery Ireland, a new umbrella organisation, is presenting today to the Covid committee. It is a pity that we are not doing this in a more co-ordinated way but that organisation made several good points. It calls for a €15 billion recovery plan with €6 billion of that being released immediately to deal with liquidity problems. The current supports in Ireland are based primarily on debt-based lending whereas other European countries have introduced more grant supports which in turn encourages take up. It is really important to get that balance right, not just domestically but in the approach taken at European level as well. SME Recovery Ireland cites, for example, Northern Ireland where grants to the value of €25,000 were made available to the retail and hospitality sector in mid-April. Germany also has invested over 25% of GDP to support businesses, while Denmark has a €6 billion compensation fund.

SME Recovery Ireland also points to the European Central Bank proposals for a predominantly grant-based approach rather than loans. Most of the business support schemes, it points

out, were originally based on a hard-Brexit scenario. In many ways, it was fortuitous that the schemes were drawn up but they are now needed to be re-examined. We had the schemes when Covid struck, which was good, but those schemes do not exactly fit the bill at this point. They need to be re-examined and restructured with purpose to fit the current crisis.

Brexit has been a long lead-in issue, whereas Covid has been a massive sudden shock to the economy. When restructuring these schemes, there needs to be serious debate about the cost benefits of grant aid versus debt-based lending. It is important to recognise the challenges involved in that. I agree with the Tánaiste and Minister for Enterprise, Trade and Employment, that it is not a matter of signing a blank cheque and giving a 100% guarantee. A real difficulty will be the ability to identify those companies which are not viable and, unfortunately, will not survive.

It is important to be in a position to identify any attempt at gaming the system. Inevitably, there will be an element of that. We need to have very clear criteria set down and clarification on who exactly or what body is going to take those key decisions.

SMEs point out the contribution that they make to the economy both in terms of the fact that they employ the vast number of workers in this country but also how they put back in so much money into the economy through PRSI, tax and so on.

I support and commend what the previous Government did in its rapid response. The question is where we go from here and how we fund that. Several weeks ago, I raised with the Tánaiste and Minister for Enterprise, Trade and Employment the need to ensure that we draw down as much support as we possibly can at EU level. He told me that borrowing substantial amounts of money long term is Venezuela. It is not actually. Austria, Germany and many central European countries are doing that. For example, last Wednesday Austria raised €2 billion in a bond auction with a maturity of 100 years which was priced at below 1%. The auction was more than ten times oversubscribed. That is not Venezuela; it is Austria. We should be learning from what other European countries are doing because there is huge support.

In the recovery, it is important we use the potential of and build public services to ensure we have good quality employment. We must also ensure we are more competitive. If our public services are available on the universal basis, it takes the pressure out of wage demands and the green agenda.

It seems the Department of Enterprise, Trade and Employment is taking over responsibility for employment, employment rights and so forth. The Tánaiste and Minister for Enterprise, Trade and Employment must bear in mind that it was the youngest workers who paid the biggest price in the crisis created by Covid. They are the people who have been struggling with low pay and precarious work in the main. They must be given priority when it comes to identifying those employment areas that have the greatest potential to get that younger generation back to work. They have been locked out, to a large extent, and they need to be prioritised, as we, hopefully, work our way back to recovery.

Deputy Bríd Smith: I am sharing time with Deputy Paul Murphy.

I want to start by saying something positive to and about the Tánaiste's new Ministry. I recall the zeal and the scrutiny he had in a previous Ministry. We all remember the campaign he launched to account for every penny spent in the then Department of Social Protection when it came to social welfare recipients and welfare cheats who cheat us all. I look forward to a

campaign of real zeal in the Tánaiste's analysis and scrutiny of the grants and funding to businesses, especially to large firms and to multinationals. I want to be absolutely clear that we fully support the grants, aid and help being given to small and medium size firms, but we have a problem that it is difficult from the information we get to decipher who is getting what and for what purpose. We would appreciate more clarification on this.

The largest increase of funding is allocated to Enterprise Ireland for capital spending, which is fine, but who is getting it and what is the breakdown in size and sector for the disbursement of these additional supports?

It would also be useful if we could actually make sure that the current supports have worked and were targeted at the right areas. I would like to see, for example, very targeted policies to relieve the demands for rents on local shops, cafes, etc., in our local communities, many of which now seem to be facing a renewed onslaught from banks and landlords. We need - and needed - a blanket policy on a rent amnesty during the Covid-19 crisis.

Equally, many small business are finding themselves unable to get the wage subsidy scheme they had because post-lockdown they have a different workforce to pre-lockdown. We need to create a level playing field for all local small businesses.

I want to make a general point on the wage subsidy scheme. In other jurisdictions there are provisos around state support for bigger industries. They cannot have avoided tax, cannot have off-loaded their profits offshore and if they are profitable they cannot avail of the scheme or at least there would be a clawback when the companies return to profitability. We do not seem to have those conditions imposed here. We do, however, see companies such as Aer Lingus and Ryanair cutting their work force and cutting pay while at the same time having their hands out to the State.

I will end by asking the Tánaiste a direct question. Last week a High Court sent shockwaves across the construction industry in particular when it decided on the unconstitutionality of the sectoral employment order, SEO. This judgment may also affect many other sectoral employment orders and employment regulation orders, EROs. Indeed, it could be very important in the contract cleaning industry and in the difficult sector of security. It affects hundreds of thousands of workers. This is why it is important that we have something to say about it. The conclusion of the High Court was that competition and the rights of employers trumps the desire to ensure decent wages and conditions. It is beyond belief that a court might say the Dáil does not have the right to legislate for the protection of workers in any sector in the country. We do not want to see a race to the bottom in workers' pay, terms and conditions. This is an opportunity for the new Tánaiste to surprise us all and to defend our right as legislators to legislate to protect workers' pay and conditions. Will he commit to appealing the High Court decision and to defending robustly the SEOs?

Deputy Leo Varadkar: I am aware of the High Court judgment. My officials and the Attorney General's office are currently studying it. We will make a decision in the next couple of days on whether or not to appeal it. We have until 14 July to appeal. I say to anyone who works in those sectors, be it in construction, contract cleaning, electrical contracting or anyone covered by an SEO or an ERO, that their employer does not have the right to change the terms and conditions on foot of this judgment. There is a stay on its execution. We will make a decision between now and 14 July as to whether or not we will appeal it. It depends on if we believe we have a strong case to appeal it. If we have a strong case to appeal then we will and I look

forward to updating Deputies on that once it the decision is made.

Deputy Paul Murphy: I will start by saying that we need more support for small and micro businesses, such as arts workers, small coffee shops, restaurants, tradespeople and taxi drivers. They need more support at this time be it grant aid, which is preferable, or easy access to very low interest loans. I am, however, opposed to the utilisation of the stories of those small, family-run coffee shops being put to the forefront to cover up for a substantial amount of corporate welfare in the State. We need to shine a light on the amounts of money going into very big businesses. We are talking here primarily about the wage subsidy scheme and how some of the most profitable companies in Ireland are getting huge, no-strings-attached bailouts from the State. Deputy Bríd Smith drew a very appropriate comparison between the zeal with which the Tánaiste previously pursued mostly imaginary social welfare cheats, and the approach to this current situation when he said, in a blasé manner, that it is a blanket approach. For “blanket approach” we can read blank cheque approach, whereby the Government is willing to hand over huge amounts of public money to profitable companies and not ask for a living wage of €15 per hour for those workers, not ask for basic environmental conditions as called for by Extinction Rebellion, not ask for a share since we are giving all this money, and not saying looking for worker access to trade unions for any company in receipt of this money. Instead, the money is simply given over to major businesses that are entitled to continue to operate in whatever way they want. I shall give an example. Pat McDonagh, the Supermac’s millionaire was on the radio complaining about people getting €350 per week, did not mention that Supermac’s was in receipt of a much larger amount on a weekly basis of corporate welfare through the wage subsidy scheme. Other companies such as Ryanair, Aramark, Cement Roadstone Holdings, CRH, and other big construction companies are also getting huge public money with no requirement that they actually pay decent wages or recognise trade unions. I have been contacted by one group of workers employed by the major international Aramark and who are working on the front line at University Hospital Galway throughout this crisis. These workers were paid minimum wage, plus 10%, and the company has been claiming the wage subsidy for that. The workers have now been cut back to just the minimum wage. These are front-line workers, the workers for whom we clap each week. They are working in our hospitals for minimum wage and the company is getting paid on the double. The State is paying the cost of the contract and also covering most of the wage bill through the wage subsidy scheme. We need to see the figures, particularly for the wage subsidy scheme, for the top companies getting these supports. We also need to attach strings to these supports.

I want to talk about one company in particular, which is Aer Lingus, and if I have time at the end I will ask the Tánaiste to respond. Aer Lingus has been receiving huge support from public funds - more than €1 million per week from the State over recent months - while engaging in very antisocial behaviour. Aer Lingus is a company with almost €1 billion in cash reserves. It is part of a multinational that has only recently made more than €3 billion in profits. Now it is in receipt of €1 million per week in corporate welfare. One would think that being in receipt of such public money might make Aer Lingus a little more humble or social, but it is proceeding with a series of antisocial and anti-worker policies. It wants to slash 500 jobs, it wants to cut wages by an incredible 70% and it wants to ban its workers from taking industrial action. The same workers who were applauded only a few weeks ago for flying much needed personal protective equipment, PPE, from China are now being told to make do on 30%, less than one third of their wages. Perhaps the CEO of Aer Lingus would be able to live on 30% of his previous income but for an ordinary worker it is simply not possible and would result in many people losing their homes. Cabin crew have rejected the rotten deal and others should be given a vote

on it too. Aer Lingus should not be allowed to get away with this slash and burn agenda. It underlines again what a failure privatisation is and the need for re-nationalisation. Does the Tánaiste believe it is acceptable that companies like Aer Lingus are in receipt of such massive amounts of money but treat workers in such a fashion?

Acting Chairman (Deputy Alan Farrell): The Tánaiste has a very small window of opportunity in which to answer.

Deputy Leo Varadkar: I believe that fraud is fraud, be it welfare fraud, tax fraud or companies gaming Government grants. I take the same dim view of fraud, whether it is committed by an individual or by a company. I do not take the view, as I have seen some Deputies to my left do, that some forms of fraud are okay because of the social class of the person committing that fraud. That is a rather perverse way of thinking. Fraud is wrong, whether it is welfare fraud, tax fraud or corporate fraud, and it should be treated just the same.

Regarding the TWSS, I do not have any detail or breakdown as to which companies received money from the scheme or how much they received. I will seek that, as it is something that I have an interest in knowing. The scheme is open to all businesses, big and small. For a company to qualify, it has to have seen a major reduction in its revenues. Aer Lingus was one of the companies mentioned. It may well be the case that Aer Lingus was doing well a few months ago and had billions of euro in reserves, but that has fundamentally changed in the past couple of months. I do not know the details of that company's business operations, but I would say that it is burning through those reserves quickly. If it was not for the TWSS, the workers in Aer Lingus would be facing something much worse than they are now. I am surprised that the Deputy would want to impose that on them.

Acting Chairman (Deputy Alan Farrell): We now move to the Regional Independent Group's slot, for which I see two members present. Deputies Fitzpatrick and Verona Murphy are on their feet at the same time. The latter has given way to the former, but are they sharing their time?

Deputy Peter Fitzpatrick: No. I am taking the full ten minutes.

Acting Chairman (Deputy Alan Farrell): It is a matter for the group.

Deputy Peter Fitzpatrick: I welcome the opportunity to take part in this debate. I wish to offer my sincere condolences to the families and friends of those who lost their lives due to Covid over the past week. I also offer my best wishes to those who continue to fight this terrible disease, be they in hospital or isolating at home.

It is clear that we are winning this battle, but we must not become complacent. I urge the public, particularly the younger generation, to continue following the guidelines as laid out by the Chief Medical Officer. I also appeal to the younger generation to consider that it is the elderly who are most vulnerable to this virus. That includes their grandparents and parents. While younger people might believe that the virus will not affect them, they must consider the health and safety of their grandparents and parents.

Every Deputy will undoubtedly agree with me that the crisis facing the people of Ireland is unprecedented and could not have been forecast. We are in the midst of a crisis created by Covid and every single business and worker has been affected in one way or another. To make matters worse, we have a no-deal Brexit coming down the tracks.

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Regarding this Vote, it is vital that the House support all the additional funding for the business sector as detailed today. In fact, I would go further and say that we should consider increasing that funding. We are in unprecedented times that call for unprecedented action. During the banking crisis, austerity was the approach taken. Although I was a member of that Government and voted in line with its policies at the time, it is clear in hindsight that that approach was wrong and inflicted far too much pain on the working people of Ireland. We must never return to austerity measures and I ask the incoming Government to state on the record that austerity measures will not form any part of the economic rescue plan.

Of the amount we are voting on, €250 million relates to business restart grants. While welcome, that amount does not go far enough. The business sector has suffered greatly since the lockdown. It must be fully supported as it reopens and be given as much financial support as required. We must not forget that the majority of people work for small firms that employ fewer than 50 people. These businesses are the heartbeat of the economy and they need our full support.

I have spoken to many business owners in my home town of Dundalk and the surrounding area. Many of them employ fewer than 15 workers. They have used their resources, which many had built up over a number of years, to keep their businesses afloat during the crisis. They have used everything they have earned in recent years to ensure that those jobs will still be there when they reopen. In one case, a family-run business that employs 16 local people took out a credit union loan to ensure its employees continued to be paid during the lockdown. The Government supports put in place were a great source of help to that business and many others around the country. Had we taken the same approach now as we did during the previous crisis, businesses like them would not have survived.

The lesson to be learned is that we must throw the rule book out and think outside the box. The ECB has made money available at an interest rate of 0% and has been clear that this money is available to Ireland. Germany and France have decided to support this stimulus. We must take advantage of it and borrow that money. Now is the time to keep the economy stimulated. In that respect, I appeal to the Government to be bold and adventurous in its July stimulus package. That package must be generous and target the sectors of the economy that will drive growth.

We must get our tourism sector back up and running. We must assume that this year's tourism numbers will be a disaster in respect of foreign visitors. This is an ideal time to support our tourism sector and strongly encourage people to holiday in Ireland this year and next year. My constituency of Louth and east Meath has some of the best tourism areas in the country, including the Cooley Peninsula and the Boyne Valley. We need to support our economy, and one of the best ways of supporting the tourism sector is to holiday in Ireland.

We also need to support local restaurants, bars and coffee shops. It was great to see many restaurants, bars and coffee shops preparing to reopen in Dundalk this week. I know it was the same in many other parts of the county, such as Drogheda, Ardee, Dunleer and Carlingford.

The €250 million set aside for the business restart grant is not enough. Businesses need help to ensure that their premises are safe for customers and staff. I say this because, although we are dealing with Covid-19 currently, it is becoming clear that this pandemic might only be the start of a cycle. The new reality is that we might have to face a different coronavirus next year and beyond. As such, we must put measures in place that limit the effect of these viruses. We

must plan for a new reality.

I have spoken to many business owners. The one point they all make is that they need support and advice on how to make their premises safe for staff and customers. They not only need financial support, but guidelines. Many innovative companies are offering solutions to make business premises Covid-safe and we must help and support them. I know of a local business that has come up with an innovative solution using a traditional process. It can cover door handles and other areas that are in contact with staff and customers with copper. Covid and other viruses cannot survive on copper and, therefore, cannot be spread on these surfaces. This is one of many innovative ways that businesses could be supported in making their premises safe not only for the current pandemic, but for any future Covid pandemic. The business restart grant should be utilised to make businesses safe and future-proof them against any new virus that might appear over the coming years.

While I support the increased allocation under this Vote, it does not go far enough. We must not hold back at this crucial point. We must borrow now when we have the opportunity and support our economy. We cannot go back to the austerity years when many businesses went to the wall because of the policies we pursued. Now is the time to keep the economy safe and support it as it recovers from Covid. If we do not have a strong economy, the Government will not be in a position to fulfil many of the promises made in the programme for Government. I urge the Government once more to confirm to the people of Ireland that austerity is not an option being considered at this time. The country could not stomach another period of austerity.

We must think outside the box. Coming from a business background, I know what it is like to do that when times are tough. I once ran one of those small businesses and employed upwards of 15 people at any one time. I know what it is like to ensure that all staff are paid every week and all suppliers are paid on time. Believe me - when running one's own business, one needs to think outside the box on occasion.

I will conclude by asking the Government to consider all stimulus measures when supporting our economy and not to forget that the majority of workers in the country are employed by SMEs. It is those businesses that need our support.

I wish the Tánaiste the best in his new role and I look forward to his replies.

Acting Chairman (Deputy Alan Farrell): There were some questions. Does the Tánaiste wish to respond to them?

Deputy Leo Varadkar: Just a brief response. I thank the Deputy for his contribution and his support for the Revised Estimates. He made a point that I agree with absolutely, namely, that what is being done today is not enough. He is right. These are Revised Estimates to allow us to pay for what has already been announced, but we will make further announcements as part of the July stimulus package. That will require a further Supplementary Estimate from the House for us to provide additional grants, supports and loan guarantees to business. We will revert to the House on that matter in a few weeks.

Regarding austerity, I have been in a Government during boom and bust and have been around for both austerity and times in which we were able to provide record levels of spending.

I know, and I hope the House knows, that austerity is never a policy choice. It is what is done when one has no choice because one either loses the confidence of the markets or of the

European institutions. This country ten or 12 years ago lost the confidence of both the money markets and the European Central Bank. That is why the country at the time, and I was not in government at the time, ended up in a bailout and ended up in austerity. We are pursuing the right course now by increasing spending and by stimulating the economy. It is definitely the right thing to do, but that is only sustainable for as long as we maintain the confidence of the European institutions and the money markets. That is why we need to make sure we do not go too far, that we have a deficit that is in the mid range of European countries and that we do not become the country with the highest deficit and highest debt. That is where one starts to lose the confidence of the markets and that is where things go wrong again. They are really the parameters we must be aware of over the next couple of years.

2 o'clock

Acting Chairman (Deputy Alan Farrell): Thank you, Tánaiste. We move to the Rural Independent Group. Deputy Michael Healy-Rae is sharing time with Deputies Nolan, McGrath and Danny Healy-Rae.

Deputy Michael Healy-Rae: I believe Deputy Mattie McGrath is not attending.

Acting Chairman (Deputy Alan Farrell): Very well.

Deputy Michael Healy-Rae: Do we have three minutes each?

Acting Chairman (Deputy Alan Farrell): The Deputies will have three and a half minutes each.

Deputy Michael Healy-Rae: I am glad to speak on this important issue of Revised Estimates. I will say first that I wish the Tánaiste every good luck and success in his new role.

It is important, as the Tánaiste has rightly pointed out, that we retain and continue to have the confidence of the markets and that we have access to what I would call “affordable money”, because money needs to be pumped into the economy to try to get us over the crisis. Billions of euro have been wiped off our businesses’ turnover, particularly if one looks at the tourism and hospitality sectors. They have been impacted. One might think the constituency I represent is bulletproof and that businesses in places like Killarney town are bulletproof and cannot be hurt or knocked down, but, unfortunately, they can. We have seen that happen during the recent lockdown. I know personally that many of these businesses, even in a big place like Killarney, the capital of tourism in the world, will struggle to get back up and running. I wish each and every one of them well, all around County Kerry and throughout the country. I wish everybody who is opening their doors for the first time and everybody who will do so over the coming days and weeks nothing but success. It will be a struggle. I know it myself as a very small employer and as an operator of small businesses over many years. I know how difficult it is to pay people on a Friday evening.

I have, for instance, been in discussions with our vintners association and our hoteliers federation in Kerry over the last number of weeks and particularly the last number of days. A reduction in VAT is urgently required. It is important to bring our VAT rate down and that VAT be reduced on alcohol. Of course, responsible drinking is terribly important, but we must get the message out there now that there is nothing wrong with wanting to go out and visit one’s local pub. There is nothing wrong with having a sociable drink with family, friends or neighbours and with people going out in the way they did in the past. To try and get that up and going again is important for local employment.

It is important that our banks work together and in conjunction with their customers. In particular, I want to say to people in AIB and Bank of Ireland to treat their customers and people who have mortgages with respect. I know of so many couples, young boys and young girls, who are being told that perhaps because one of them is not going back into employment until July or August, they cannot draw down their mortgage until both are back in employment and even have a number of weeks' payments put behind them. It is important that the banks understand they have to work with those people.

I want to ensure that the Government will back our small businesses in every way possible. It is so important, because these are the people who are going to create employment in the future and get our economy back up on its feet. I represented the people in the Ring of Kerry gladly for many years in Kerry County Council before being elected to the Dáil, and we have many small businesses there. I will support each and every one of them and I want the Government to support them, not through grants but through loans.

Acting Chairman (Deputy Alan Farrell): I call Deputy Nolan.

Deputy Carol Nolan: Go raibh maith agat, a Chathaoirligh. I wish all of the businesses which opened their doors this week the very best of luck. No doubt they will face many challenges, but I am hopeful this new Government will step up to the mark and realise how important our businesses are in terms of driving the local and national economies.

I also point out that the pandemic, and we continue to see the effects of it every day on our lives, brought home how bleak our towns and villages would have been without these businesses. They are essential, and it is only at times like this one sees how important our businesses really are. They need to be valued and given every support possible. Those are my opening remarks.

The Tánaiste is clearly aware there is a significant need for a substantial series of measures to provide stimulus to the SME sector, and indeed almost every other sector in our society. At the height of this pandemic, more than 54,000 employers had registered with Revenue for the wage subsidy scheme with more than 500,000 people receiving the payment under this scheme. The total cost was approximately €936 million and this points to the scale of the challenge we face. I note that the EU is willing to offer us access to recovery funds of approximately €2 billion in addition to other loans to stimulate business and enterprise. I welcome that, but the stark and alarming news is that Ireland's contribution repayments to the EU recovery package from 2028 to 2058 amounts to an unbelievable €18.7 billion, according to the European Commission. This will make Ireland the second highest net contributor in the EU after Luxemburg. Clearly, this must have some impact on long-term planning. It also adds significantly to our debts, which in turn decreases our capacity to borrow and create jobs in the real economy.

I welcomed the Tánaiste's predecessor's plan to create a €180 million sustaining enterprise fund for small businesses. This fund will provide between 25,000 and 50,000 short-term funding injections to eligible small companies to strengthen their ability to return to growth. Again, the problem is that many businesses cannot take up these schemes and grants, however good they may be, because the criteria is too restrictive. I have spoken to many businesses and because they do not employ the numbers to qualify for the supports they cannot get the supports. That is wrong and it needs to be looked at. We need to support as many businesses as possible and make sure that nobody is left out.

Will the Tánaiste commit to reviewing the issue in terms of businesses being locked out of

schemes and grants with a specific view to increasing participation?

I also want to outline here today the serious problem with insurance companies. Many businesses closed their doors in good faith and are being left high and dry by insurance companies. Will the Tánaiste please engage with the insurance companies and with the Central Bank to put an onus on the insurance companies to play their rightful part in supporting our businesses?

Acting Chairman (Deputy Alan Farrell): I call Deputy Danny Healy-Rae.

Deputy Danny Healy-Rae: I too will be voting for the measures later today. I am only sorry there are not a lot more, because people out there need more help and more funding.

I am hopeful the July stimulus package will include such things as a positive reduction in rates or a waiver where people have accounts showing they did not make any money at all. A suspension is out of order because that is only kicking the can further down the road. A waiver or a reduction is the proper way. Small and medium businesses will have to get grants and interest-free loans. I was glad that some businesses in Killarney and around the Ring of Kerry started to reopen yesterday and today. I look forward to more of them doing so in the coming days and weeks ahead. As Deputy Michael Healy-Rae has already said, when we see nothing happening in places such as Killarney, Castleisland, Dingle, Cahersiveen, the Ring of Kerry, Sneem and Kenmare it will take a massive effort to get them up and running again and they will need every help and assistance they can get.

The temporary wage subsidy and the pandemic payment are being used by AIB and other banks to deprive couples of the mortgages for which they have worked so hard to put a roof over their heads. We also hear these banks state they will disallow commission payments or overtime payments. I call on the Government, the new Taoiseach and the Minister for Finance to deal with these fellows. We bailed them out when they were in trouble.

I hope there will be funding for the seasonal workers, bus drivers and hotel workers who did not get the pandemic payment and were left behind. Those aged over 66 who employed people were also left behind. This was wrong and I ask the Tánaiste to address it in the July stimulus package. These people were left behind. Their stamps have run out and they will not qualify for jobseeker's payments or any other benefits. This has to be addressed in the July stimulus package because they have been desperately wronged and they have been left behind. I appeal to the Tánaiste to do this.

Deputy Thomas Pringle: I have a number of questions and I ask the Tánaiste to answer them. If there is time I will come back in again. Everybody is speaking about businesses and the supports they need. It is true that businesses need support. It is interesting that when things were going well businesses were telling us that the State did not need to do anything for them and that the State should have no involvement in business, but when businesses get into trouble the first thing they look for is the State to bail them out and make sure they can stay in business. This is very interesting and something we need to keep in mind.

Earlier, the Tánaiste said he is proposing radical and far-reaching supports for business through this period, and rightly so, but the entire debate today has been about the benefits that businesses bring to our community and society. There is a *quid pro quo* for this. If we support and save businesses by putting in place support measures, and I am thinking in particular about the temporary wage subsidy, businesses should pay this back and support us at the same time. By this I mean they should ensure workers are maintained and paid for the work they do. At

present, many businesses throughout the country, particularly in Donegal, are looking for a 10% wage deduction from the workers they are keeping on. These are the workers we are paying the businesses to keep on through the temporary wage subsidy scheme. This is wrong and we should tell businesses that if we are bailing them out they have to play their part and ensure their workers are kept on for as long as possible, which means not cutting their wages. They are using the crisis we are in at present to increase their profitability. This is what they are doing.

There is no doubt many businesses face difficulties at present, and there is an uncertain future, but we are facilitating businesses so they can maintain employment and get back to work. If, six months or a year down the road, they can show they are not viable then they can look at reducing numbers, in partnership with their workers because they know exactly whether a business can survive. It is very important that we tie everything we do into making sure businesses treat their workers properly. A sustainable business is a business that treats its workers properly. The fact is that most small businesses would not be viable without workers. Workers make a business work.

Does the Tánaiste think it is reasonable that businesses should be looking to cut wages at this time for the workers they are keeping on, particularly those workers we support through the wage subsidy scheme? Does the Tánaiste think the July scheme should be made conditional on businesses supporting their workers? This is not about small employers. It is big businesses that are doing this. We hear all about Aer Lingus and Ryanair trying to do it. Big hotel businesses and big businesses in rural Ireland are all doing this. They are all looking to cut wages while benefiting from the State's supports. Does the Tánaiste feel it is reasonable that businesses should be reducing wages while benefiting from the wage subsidy scheme and what will he do about it?

Deputy Leo Varadkar: I do not like to see any business cutting people's pay and I know the Deputy does not either and nor does anyone in the House. The reason a company qualifies for the wage subsidy scheme is because it cannot afford to pay the wages. While most companies are topping up the wage subsidy scheme, some cannot even afford to do so. This is the situation we are in. We have had an enormous shock to our economy and the reason these companies, many of which used to be very successful and profitable, qualify at all for the wage subsidy scheme is because they cannot afford to pay the wages anymore. Were it not for the wage subsidy scheme, we would not be speaking about pay cuts for the workers about whom the Deputy has spoken because they would probably be redundant already.

Deputy Thomas Pringle: As far as the Government is concerned, it is reasonable that employers should be making these demands. These are employers who have already reduced their workforce and now they are reducing the income of the remaining workers. These workers spend money in the local community and support businesses throughout the towns and villages we are speaking about. Reducing their incomes will make them unable to support other businesses. I do not believe that any business should be reducing its wages at this stage - it is too early to say. There could be an argument in six months or a year that they are unsustainable and cannot continue, but they do not know for certain at present. Many businesses, particularly in the hospitality sector, will be looking at an increase in wedding functions next year, which will increase their income and revenue. They will be getting the business they have lost out on this year. I do not believe it is reasonable that companies should reduce wages at this point in time. As far as I know, it is not legal for them to reduce wages unilaterally. The companies have a responsibility to their workers. I do not believe it is legal for them to do this. What should be done is that the supports we are putting in place for those businesses should be made contingent

on them maintaining the workforce at the income levels they had. If the business is not viable, they can make changes but many businesses are doing this now to profiteer from the situation and benefit from the largesse of the State. It is right that we are subsidising them but now we are subsidising them to cut wages and that is wrong.

Deputy Leo Varadkar: The Deputy and I appreciate that every business is different. In speaking about them in the way we are, we are very much generalising. I would not use the term “reasonable”. I would say it is regrettable if any company has to reduce the pay of staff. It should only do so if it genuinely has to and we both agree on that. Certainly it is preferable to see reductions in pay rather than having people laid off altogether and I believe the Deputy would agree with this also. Earlier, the Deputy suggested that companies should wait until they become unviable to do this. I do not think this is the right approach because if they wait until they are unviable they may end up having to lay off all of their staff rather than seeking reductions in pay, which could be restored next year if they get through this difficult period. I am advised by my officials that of the companies receiving the wage subsidy scheme, 88% of them are topping up the wages of their employees. That is an important fact to get on the record. Back in March that figure was only 58%. These are companies that are in serious trouble and have had a big hit to their revenues. They are taking the wage subsidy scheme, which is why they qualify for it, and close to 90% of them are topping up the money being paid out under the wage subsidy scheme.

Deputy John Lahart: I want to respond to some of the previous comments because this is a varied debate with contributions coming from either end of the spectrum in relation to businesses and business people. I hear much judgment in the Chamber on how businesses operate. I am familiar with businesses in this city for which it is, and has been, costing them €80,000 to €100,000 per month to remain shut. I do not know of many business people who set out to abuse their staff or to take advantage of the situation we are in to save themselves having to spend money on their staff’s wages in the way that has been described. Every person who goes into business does so out of good motives. There are bad apples in every profession but the predominant feeling among businesses in Ireland is that they want to survive and to be given a way to survive.

I congratulate the Tánaiste on his new role and wish him the best. It is an onerous position and a responsibility that is hugely burdensome and will remain so for the foreseeable future. It is dawning on the business sector and people at large that this pandemic is here in some shape or form for the foreseeable future. We can only pray for a vaccine.

I echo the comments made by some of my colleagues about the reopening of some businesses yesterday. It was good to see a queue on my way in here this morning outside one of the local barbershops. It has been a struggle for business people in recent months. In other countries and jurisdictions we have seen that when furlough payments ceased, as they have in some countries and states that are ahead of us, some businesses did not reopen because they were unable to do so. I hope we do not face that here but it seems to be the reality in some other countries.

I want to throw out some ideas for exploration to the Tánaiste in his capacity as Minister for Enterprise, Trade and Employment. There are some suggestions the Tánaiste could look at with Dublin City Council. I had many dealings with Dublin local authorities in recent months in terms of the needs of businesses. Hospitality is one of the areas that faces great challenges. There is much scope in that area. I know from Dublin City Council that traders in the hospitality sector are pushing an open door with it in terms of facilitating street trade but we need to

push that. As many structures as possible need to be put in place to facilitate our hospitality businesses in being able to operate and provide their services to the public. That is particularly true for outdoor trading because people feel safer outdoors. I know that when South Korea was reopening its economy after the first wave, one of the diktats the authorities were setting down aside from the usual hand washing and 2 m distancing was that people should eat fast. We must try to create as many open space environments as possible for people where they feel they can be safe. I saw some local pubs in my constituency do that last night where people feel they can stay, eat and socialise to a certain degree. The vast majority of people are responsible.

The Tánaiste might comment on what kind of planning has taken place, what we have learned and what structures we have in place to learn from other jurisdictions that required a further lockdown or require further lockdowns. Nobody can envisage a repeat of the mass lockdown we experienced here in late March. What are we learning from the experiences of other cities that have had to isolate or enforce localised lockdowns?

Internal tourism is significant and has been referred to by others. The importance of hospitality and event management will not be lost on the Tánaiste. We are sitting in a 2,000-seater auditorium. I searched it on Google last night just to see what the capacity of this place was and it accommodates 160 of us, using the proper and appropriate physical distancing measures. That is a catastrophic sign for the event and conference management sector, which is worth hundreds of millions of euro to the country and involves bringing people from outside of the jurisdiction in here. The immediate outlook for that area looks quite pessimistic. The Tánaiste might comment on that. I know from reading in the media that the Cabinet is to make some decisions on travel into the country but the fact that we can only fit 160 people into an auditorium that holds 2,000 captures the reality of the crisis that is facing what is a huge industry.

The Tánaiste might also comment on the food supply chain, which we have taken for granted. I am not seeking to raise alarm but I would like the Tánaiste to comment on it to see exactly where we are on that. The food supply chain has been incredibly solid and I thank the wholesalers, importers, retailers and everyone who stocked the shelves and who continues to stock the shelves. They are another section of the unsung heroes and I know the Tánaiste acknowledged that in his previous role as Taoiseach.

There has been an interesting McKinsey report analysing the impact of Covid-19 on businesses. It suggests that some small businesses may close because they are in industries such as accommodation, food services and educational services that are affected by changed customer behaviour. I do not know what we can do to help with that, especially considering the physical distancing and mandated operational restrictions that were in effect during the pandemic. Other small businesses, and the Tánaiste has alluded to this, may close because they were already at financial risk. If there is one lesson we can learn, and McKinsey points to this, it is that some retailers such as the local supermarkets and retail outlets thrived during the pandemic but then the rules insisted that some retailers closed, such as those providing clothing and homeware. The great paradox was that the businesses that were allowed to remain open began stocking these kind of products, which they had never sold before. The McKinsey report says that we embedded a behaviour by closing down some retail outlets and reversing that embedded behaviour and the pattern of not allowing the public to use those clothes and homeware shops has embedded a behaviour that will be difficult to reverse and we may need to look at that. The McKinsey report said that within retail, for example, three quarters of clothing stores reported a large negative impact on their businesses as of 23 May. This is not in Ireland but in a different economic context. However, only one third of food and beverage stores reported a large

negative impact. The report makes the connection that food and beverage stores remained open but clothing and apparel stores were closed for the bulk of the period of Covid-19. In restoring people's confidence, it has gotten into the psyche of people that these are places one does not go to. We need to do something to regenerate public confidence in those stores. The report states:

This disparity probably reflects differences in which businesses were classified as essential and therefore allowed to continue operating. In other sectors, short-term lapses in demand may affect differences among subsectors.

In my constituency, I talked to South Dublin Chamber representatives this morning, and they said businesses need to be able to trade with the confidence that they can buy supplies and services and have the ability to pay. They made the key point - I know the Tánaiste will be aware of this, but it has to be reinforced and re-emphasised - that loans work for some companies, and the reduced rate loans that are available are very much appreciated in the business and commercial sector, but if a business has been closed for three months, another debt is not what it needs; likewise with deferred payments. The Tánaiste might comment on that. What South Dublin Chamber is saying is that some SMEs need cash injections that will allow them reopen with confidence, and that confidence will be repaid through VAT returns and PRSI contributions from employers and employees.

As for delays in payments, South Dublin Chamber acknowledges the huge contribution of the public sector in facilitating and processing the payments to the business sector during Covid but also that it should be remembered that many small businesses cannot pay themselves and other staff and that if there are delays in those payments, that has significant impacts. What it suggests is that this work could be prioritised in the allocation of resources, ensuring that waiting times for these payments are reduced.

The business continuity voucher of €2,500 was very welcome in south Dublin, and it would be good if it could be reinstated or if something similar could be brought in. The trading online voucher finishes today, according to South Dublin Chamber. It would be great to continue it. The LEOs offered mentoring for free. That was also appreciated. South Dublin Chamber is looking for those two schemes to be made available again. That would be good in our constituency.

Finally, just to give context, at this time of the year in south Dublin, there would normally be approximately 8,000 Spanish students. They would spend six weeks in the constituency, paying fees, making contributions of approximately €1,200 per student and then spending between €1,000 and €1,500 each. The host families, education, tuition fees, etc., amount to approximately €16 million. There are no Spanish students in Dublin now and this is having an impact on a micro area of the economy.

Deputy Leo Varadkar: I thank the Deputy for his contribution. Something he mentioned that I strongly identify and agree with is the extent to which our food supply chains proved to be very robust. I recall the earliest part of this crisis, during which one of the things we were worried about as a Government was supply chains and, in particular, food supply chains. They turned out to be really robust, and that is a credit to everyone involved. Whether in our ports or warehouses, logistics or haulage, everybody has managed to make sure that those supply chains remained robust and in place, and they deserve a lot of credit for that.

The sector that was first hit and hardest hit and will be longest hit, unfortunately, is the tour-

ism, hospitality, events and accommodation sector. As the Deputy pointed out, here we are in this massive auditorium, with room for 2,000 people, but those people are not here, nor are they in our hotels, on our airplanes or coming through our airports. This sector will really struggle to recover and will need additional and special support to allow those businesses that can continue to adapt to do so. We also need to recognise, however, that some will not be able to do so.

Deputy Jennifer Murnane O'Connor: I congratulate the Tánaiste on his new role. First, can a timeframe be given as to when or if any guidelines that will be required to be put in place for those businesses in the hospitality industry that do not serve food will be issued? Will those businesses be given notice to implement such requirements as they prepare to reopen their businesses?

Second, I wish to ask the Tánaiste about redundancies. Currently, anyone who is to be made redundant cannot claim for the redundancy prior to 10 August. Is this to be extended, and can guidelines be made available to employees as to what their liability is in this regard? I understand that businesses that close cannot have their employees on wage subsidies prior to a redundancy claim. Can we get confirmation on this? It is so important, now that businesses are reopened, that we all shop local and support our businesses, particularly our smaller ones. It is also important that we all work together to make sure that all the small rural areas, such as in my home county of Carlow, including Tullow and Bagenalstown, survive this because it has had an effect on all of us. Perhaps the Tánaiste could come back to me on those two questions.

Deputy Leo Varadkar: Regarding guidelines for pubs, nightclubs and other businesses that do not serve food, they will be allowed to reopen, all things going to plan, in phase 4, which is due to begin on 20 July. Usually we have the guidelines out a week or two before the start date of a new phase - I do not know for sure, but that is generally when one would expect to see them - to give people the opportunity to prepare.

On the issue of redundancies, that is a matter for the Minister, Deputy Humphreys, rather than me and my Department but, obviously, it impacts my Department. I do not have an answer to the Deputy's question but I will check it out and get back to her.

Acting Chairman (Deputy Catherine Connolly): Tá sé deacair na Teachtaí a fheiceáil. Bogfaimid ar aghaidh chuig Sinn Féin agus Deputy Violet-Anne Wynne.

Deputy Violet-Anne Wynne: I am sharing time with Deputies Kerrane and Andrews, each of us taking five minutes.

I send my condolences to the family and friends of our comrade, Bobby Storey, who will be laid to rest today. Bobby epitomised republicanism in Ireland and will be dearly missed. I have no doubt but that he would be happy in the knowledge of the strides our party has taken in recent years to get to where we are.

Looking at these figures, I would like to ensure certainties for the small and medium-sized business sector in particular. In my constituency of Clare the past couple of months have been particularly tough on the region. We have seen the reduction in the number of flights into Shannon and the lack of tourism has placed many jobs in the Clare region in a precarious position. West Clare, in particular, should be bustling with the tourism season but it instead faces concern and worry about the future of approximately 6,500 jobs. I have been contacted by many business owners in the region who depend mainly on the summer tourism industry. They have openly expressed concerns about the lack of support for their business in accessing the TWSS.

The problem is that the scheme calculates an employee's earnings only over the months of January and February of this year. The issue is that many of these businesses are mainly seasonal, and employees would have been either temporarily laid off or on reduced working weeks at that time. This matter has also been raised by my colleague, Deputy Pa Daly. This issue within the wage subsidy scheme needs to be addressed and amended in order that as many workers who can return to work do so; otherwise, small and medium-sized businesses will be the most affected. Will the Tánaiste address this issue within the TWSS?

I also refer to the recent decision by Shannon Group to close some sites from the end of August. This decision is wrong, premature and needs to be revised. The Chief Medical Officer is calling on the Irish people to have staycations, and that is for two simple reasons: first, to stop the spread of Covid-19 and, second, to kick-start the economy. I fully agree with the CMO's suggestion and believe that the decision by Shannon Group contradicts the sensible, smart suggestion by him. What measures can the Tánaiste's Department implement to incentivise or support Shannon Group sites in order that they can remain open after August, and will he intervene in the matter?

I welcome the recent announcement of funding to the tune of €6.1 million for Shannon Airport but I would like confirmation on this. Can the Tánaiste reaffirm that this money is safe? The recent announcement by Aer Lingus and United Airlines to withdraw services from Shannon has only added more threats to the future of the airport. Will the Government ensure ongoing funding for Shannon Airport will be made available should it be required? What supports does the Tánaiste's Department intend to put in place to ensure the tourism sector in Clare can weather this storm and come out on the other side? What supports will be put in place to ensure rural Ireland, and the west in particular, can bounce back post-Covid-19?

Acting Chairman (Deputy Catherine Connolly): I thank the Deputy. The Tánaiste has one minute, if he likes.

Deputy Leo Varadkar: I thank the Acting Cathaoirleach.

Deputy Violet-Anne Wynne: Sorry-----

Acting Chairman (Deputy Catherine Connolly): There is one minute left so I thought the Deputy would like her questions answered. I will move on if she likes.

Deputy Violet-Anne Wynne: Yes, no problem.

Deputy Leo Varadkar: I will be very quick. The €6 million for Shannon Airport was approved by Cabinet last week. It is mainly for infrastructure works. I think the airport will need additional state aid and support in the coming months because of the unprecedented situation we are in. I will study the potential anomalies in the wage subsidy scheme.

I really regret that Shannon Heritage has chosen to close some of those sites. I have been in touch with Deputy Carey about this. What it has said to us is that it is largely dependent on North American tourists to keep those sites viable. In many ways that is the flip side of the staycation. By us staycating in Ireland, flights are not going to and from western Europe and America. Tourists from Europe, Britain and America are not coming here. That is going to have an impact, unfortunately.

Deputy Chris Andrews: Being here is a bit like being at a cinema and at a poor movie,

unfortunately. I would like to congratulate the Tánaiste on his appointment. It is a huge honour and a huge responsibility. I wish him success in his new role and his new Department. Trying to get the balance right between saving lives and opening up the economy will be very difficult and challenging. It is in all of our interests that he succeeds.

I heard John Moran on “Morning Ireland” today. He said that €6.5 billion in funding for SMEs was announced but only €1 billion has been drawn down. There is a big gap between the ability to make announcements and the ability to deliver. This is something the Minister’s Department will need to address as a matter of urgency for the sake of all the SMEs in the country. Grants rather than loans need to be given to SMEs. There has been some discussion around that issue. Giving loans to SMEs at this point is like throwing a block of cement at a drowning man. They are on their knees, many will go out of business and they do not need extra weight. They need less weight and they need support.

I will give a specific example of the gap between the announcements of aid and the actual delivery. In early May there was an announcement of a rates waiver. I have been contacted by many small businesses in Dublin Bay South, which are all in the same boat. They have a serious shortage of cash flow, which is crucial to any small business. They have contacted Dublin City Council and have received replies similar to the following:

As you know, there was a Government announcement on 2 May 2020 of a potential three-month waiver of rates for certain businesses but unfortunately we have heard no more to date so the full 2020 charge is still on your account. You have two choices for the restart of your deductions. You can either start paying the current balance of the account from July and if you are entitled to a waiver we can reduce deductions for the remainder of the year, or we can temporarily ignore three-twelfths of the charge and start taking a lower amount from July. However, if you are not entitled to a waiver, that means that deductions will increase for the remainder of the year. Please let me know what you would prefer to do.

The reply mentioned the restart grant, which was mentioned previously. It stated:

Just an update in relation to the restart grant. I believe they started processing the applications last week with the first payments to be made this week. [That has not yet happened.] If you have not already applied for this grant, it may be worth your while to apply if you are eligible.

SMEs have been waiting for the rates waiver scheme for two months. Many businesses are on their knees, as the Tánaiste knows. Many may open and this funding will buy them some extra time and keep them in the game. Without this funding and these grants, they will have to close. It is that tight for many businesses which are balancing on a knife edge.

I appreciate that Deputy Varadkar is new to the post of Tánaiste and Minister for Enterprise, Trade and Employment but he was Taoiseach of the previous Government. Can he say why, two months on, the Government has not informed Dublin City Council of the three-month rates waiver for SMEs? Why has the largest council in the country not been updated on a scheme announced two months ago? Will he confirm that there will be no rowing back on the waiver scheme and that SMEs will receive it? I would like a brief reply.

Deputy Leo Varadkar: We informed the world that rates were being waived for companies that had to close for that three-month period. We may have to consider extending that waiver. I do not know why Dublin City Council has not been formally informed but I will check that out.

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Regarding SMEs, the plan is a mix of grants and loans. Grants are available, such as the restart grant, which the Deputy mentioned, but I think we will need more grants. The biggest support for employers big and small has been the wage subsidy scheme and €2 billion has already been paid out to employers through that, which is very significant.

Deputy Claire Kerrane: No matter what this Government goes on to do, it will always be remembered as the Government that did not see fit, for the first time in the history of the State, to appoint a senior Minister from the western region, from Donegal right down to Limerick. As somebody from the west, who lives in the west and would live in nowhere other than the west, I think this has been a huge mistake. In the days to come, the junior Ministers will be appointed and I am sure many of them will be from the western region. There will be an attempt to overcompensate in this regard. However, the damage has been done, and every Government is remembered for something.

I raise the issue of future of the Aptar factory in Ballinasloe. Last week, the company announced that it would review its future in Ballinasloe. This has, of course, caused great uncertainty for workers, their families and the community. This is their livelihood. I emailed the Tánaiste on this matter today, having emailed the previous Minister, Deputy Humphreys. Where there is a possibility these jobs can be saved, we need to get IDA Ireland, Enterprise Ireland and officials from the Tánaiste's Department around the table. If there are supports there that Aptar can avail of to save these jobs, they need to be availed of.

I welcome the restart grants but I want to raise a number of concerns in relation to them. The first relates to the delays in certain local authorities. I have heard from a number of companies which have applied for the restart grant but have still not received it. I ask that the Department check in with local authorities and see where they are up to in relation to these grants.

The second issue concerns the sole traders which do not pay rates. They are not eligible for restart grants. I wrote to the previous Minister, Deputy Humphreys, about this. Given that this is a small number in the grand scheme of things, I ask that this funding be extended to assist those sole traders trying to get back on their feet following the Covid emergency that put them out of business.

I welcome the trading online voucher under the local enterprise office but there are a number of delays there and a number of companies have contacted me to say they have not been able to get the funding from the local enterprise office. I welcome the fact restaurants, which were exempt at the start, are no longer exempt.

I appreciate this is more for the Minister for Finance, but I want to mention another issue briefly. A number of people are in receipt of the wage subsidy scheme who have not lost their income, not lost their job and not lost any hours at work. They had approval for mortgages and that approval has been taken off the table, albeit temporarily. These people's lives are now on hold. I have been contacted by one couple who had emigrated a while ago to Australia, who came home, who have a young family and who want to build their home. They had the approval and have had no change in their income but now that mortgage approval is on hold.

Finally, while the Cabinet will not be regionally balanced, job creation and investment must be balanced across our island. Towns in my constituency, from Ballinasloe to Ballaghaderreen to Strokestown, need investment and jobs. There are many people who want to live in the west of Ireland and many who would live nowhere else. We need to support those people and their

families and make sure the west of Ireland is a viable place in which to live and work.

Deputy Leo Varadkar: I have a very strong view that every Minister should see himself or herself as having a national remit. As a Dublin-based politician, I am very aware of my responsibility to be a national Minister for Enterprise, Trade and Employment, and that is exactly what I will be. It is what I tried to do, as best as I could, as Taoiseach. When I was appointing my Cabinet three years ago, we had two senior members from the west. However, when there are three parties involved and, perhaps, not co-ordinating things as well as they should, it turns up unusual results. We will co-ordinate better when it comes to the appointment of Ministers of State in the next couple of days. It is very unusual for there not to be any senior Minister from Connacht, or west of the Shannon. I have no doubt that will be rectified at the reshuffle, if not before. In the meantime, the Ministers of State, Deputies Naughton and Calleary, although not senior Ministers, are full members of the Cabinet. People argue that those Ministers of State do not have a vote, but there has not been a vote at Cabinet since the 1970s or early 1980s. Their weight and voice will be equal to those of any other member of the Cabinet. I want people to know that.

In regard to Aptar, I am informed that there will be job losses at its plant in Ballinasloe, which is very bad news. I understand staff were informed of that today and while no final decision has been made, there will be redundancies this year. Our primary concern, of course, is for the workers and families affected. Every State support will be made available to those workers to help them to transition and find new employment opportunities should that assistance be needed. The Department has agreed a job loss response protocol with the Department of Employment Affairs and Social Protection and the Department of Education and Skills. The protocol, which will be led by the Department of Employment Affairs and Social Protection, puts in place all the efforts designed to assist workers. This includes making sure they know about their welfare entitlements, offering job search assistance and assessing upskilling needs and opportunities. IDA Ireland is in close contact with the company in question and has offered support to try to avert any potential job losses if that is at all possible.

Deputy Mick Barry: The July stimulus will be a multibillion euro package of supports to small and medium-sized enterprises impacted by Covid-19. Today's Revised Estimate is a smaller affair entirely but, to an extent, this debate is rehearsing certain lines of argument on these issues. In that sense, the debate, important in itself, has a greater or wider significance. A package of supports for SMEs is one thing but such a package without strong terms and conditions is rather different. For instance, should a company which refuses to recognise a trade union chosen by its workers to represent them receive grant aid without conditions, or should that grant aid be made conditional on the company recognising the union in question? I would say the latter. To take another example, Aer Lingus is a profitable company that has made profits in the ballpark of €1 billion in the past decade. It has been assisted with its wage bill to the tune of more than €18 million by the State in recent months, but now it wants to implement a programme of 500 redundancies. The State aid in question, namely, the temporary wage subsidy scheme, is not covered, as I understand it, from this particular Estimate, but the basic principle applies, which is the question of whether a company should receive State aid when it is carrying out redundancies on a massive scale. I would say that it should not.

The questions I have raised in respect of union recognition and redundancies might equally be raised in regard to other issues. I am not talking about any particular companies but in a general sense. Such issues would include tax avoidance, payment of large bonuses to managers, flouting of environmental regulations and other forms of antisocial behaviour. It is fair to say

that State aid without strings attached is, broadly speaking, the Fine Gael approach. It has been defended publicly by the Minister for Finance, Deputy Donohoe, and I expect it is the approach that will be adopted by the Tánaiste in the preparation of the July stimulus package. I can only assume that Fianna Fáil and the Green Party are now signed up to the same approach. If not, they should say so and say it soon. It is not an approach that I support. My colleague, Deputy Paul Murphy, indicated earlier that he had been intending to call a vote on these Estimates but will not do so on the basis of assurances from the Tánaiste that the moneys we are discussing today will overwhelmingly be directed at small businesses. When it comes to larger businesses and the July stimulus package, it may be a different matter. I am putting down a marker in that regard.

I would also like to say that I would, in some cases, support nationalisation of businesses and injection of cash rather than providing State aid to private owners. This should apply in the case of big businesses and larger medium-sized enterprises when they are axing jobs. Aer Lingus is an example of a company that should be nationalised, or renationalised as is the case in that instance. Another issue of concern is what is happening with Debenhams, where 2,000 jobs were recently axed. The Tánaiste will be aware that three of the 11 stores closed in the Republic of Ireland, namely, at Mahon Point in Cork city, Blanchardstown in west Dublin and Newbridge in County Kildare, were profitable stores. Moreover, several of the other stores could be returned overnight to profitability if rents were cut to a reasonable level. One such example is the Debenhams store on St. Patrick's Street in Cork which was paying €3.25 million per annum to its landlord. The case for nationalising these Debenhams stores, renegotiating rents and saving jobs is very strong. I will be returning to this issue in the debate surrounding the July stimulus package.

Deputy Richard Boyd Barrett: The situation at Debenhams has demonstrated yet again that the introduction of legislation providing for a hierarchy of creditors in the case of liquidation needs to be prioritised. We saw the same thing with Clerys, at which time such legislation was put forward in the Dáil. It is not acceptable that this situation is repeating itself. In the case of Debenhams, 2,000 staff, many of whom worked loyally for the company for two or three decades, are being dumped on the scrapheap. The company has used a series of what are essentially shell companies to siphon off its assets so that there is nothing left for the workers in the end. All that is left to those workers is the leverage they have over the assets in the stores, which, quite rightly in my opinion, they are saying they will not allow to leave the premises. It is not acceptable that workers should be treated like this by being put to the bottom of the queue as part of a cynical liquidation that was clearly pre-planned and orchestrated by Debenhams, with the Covid crisis giving the company cover to execute the plan. The evidence that it was pre-planned is that the company set up these subsidiaries in order to siphon off the assets. This is a company that continues to make profits through online trading and continues to operate in the UK and Ireland. Tackling that type of situation is the first thing the Tánaiste should do.

I reiterate the call made earlier by Deputy Bríd Smith and others for urgency of action in appealing the court decision on sectoral employment orders. It is completely unacceptable that the Dáil's decision to protect minimum standards of pay and conditions for workers should be struck down, with a possible undermining of conditions, often for very vulnerable workers among the hundreds of thousands of workers affected.

On the issue of supports, as colleagues from our group have already said, we are very much in favour of giving a lifeline to small enterprises that need such support.

I reiterate that the banks' treatment of many of these small businesses is unacceptable, particularly for the banks in which we have a stake. We should tell those banks to lay off and give holidays on loans and so on, and we should do something similar with insurance companies, as well as whatever support measures we are providing. It is critically important that we weed out the companies that are taking advantage of this situation or that are not taking up the schemes for other cynical reasons. For example, instead of taking up the wage subsidy scheme to keep their crew employed during the crisis, some film producers, which get a lot of money through the section 481 tax relief, terminated their employment.

3 o'clock

It is incredible that, when Government policy is to maintain the relationship between employer and worker, film producers in receipt of public money make a cynical decision to sack everybody rather than take up the wage subsidy scheme. The same applies to companies that do not pay tax in this country or are using the crisis as an excuse to cut pay. For example, Newsprint delivers for Independent News and Media and its staff were working as essential front-line workers throughout the crisis but it has now cut the pay of its employees by 5%. That should not be allowed.

Deputy Verona Murphy: I congratulate the Tánaiste. It is all in a day's work to go from being Taoiseach to Tánaiste so we will get on with the business of the day. The pandemic has seen many SMEs close their doors for four months now. We hear daily about businesses across the country which have existed for decades, including family businesses, that are not reopening. Many of these businesses have struggled on since the last recession and closure as a result of the pandemic has simply been the final nail in the coffin for them. They have continued to incur fixed costs and overheads such as insurance, electricity, professional fees and many other invisible costs that most SMEs do not see until they do their end of year accounts. In regions and constituencies such as Wexford, SMEs are the main employers and so it is imperative that they have enough cash flow to reopen.

Many SMEs will not be able to meet the cash flow criteria set down by commercial banks to qualify for cash flow facilities. In this regard, the Government must step in and provide a sufficient restart grant radical and far-reaching enough, as the Tánaiste put it earlier, to re-grease the wheels for SMEs. In recent weeks insolvency experts have stated that the restart grant needs to be ten times what is proposed. The restart grant must be reassessed and must be based on the number of people employed, rather than the rates paid last year. Rates are an overhead but wages are a variable cost. We need to get people back to work. If businesses are expected to open their doors, a fixed-rate expense grant based on last year's rates will be of little use to many of them. While we acknowledge the helpfulness of the wage subsidy scheme, many businesses such as pubs, restaurants, garages, hotels and crèches simply do not have the cash flow to reopen while paying out the contribution to wages. That is clear today in the childcare sector, where many crèches have not reopened. Grants should be provided to SMEs based on the number of people they employ. It is better that people are in productive employment rather than in receipt of social welfare because the State will pay either way. In simple terms, businesses need cash to open but a mediocre restart grant does not cut the mustard. In most cases, thousands of euro will have been spent providing equipment to comply with Government requirements such as social distancing, providing hand sanitiser, Perspex screens, signage, PPE gear and so on. There is no one-size-fits-all business for the variants of the SME sector.

The eligibility requirements of the restart grant are capped at a turnover of €5 million. If one is in the car trade or commercial truck sales, that cap is exceeded readily but turnover is not the same as profit and eligibility for supports must be reviewed. If someone is in the retail

trade such as ladies' fashion and has a clothes shop which closed in March, that person will have lost two seasons of sales in the last 16 weeks but is still carrying the stock. To stay open, he or she must pay for the stock purchased for the autumn and possibly even the winter season. Cash flow is king, which is a very frightening prospect for many businesses. Their decision to reopen is being based on the current supports available and that is not encouraging. Many such retailers are out of cash flow. Cash flow can only be generated through sales and many traders that have been established for years need much greater supports than are available through the restart grant. Many have credit terms of three months. They also have legal obligations, not just to creditors but to staff as well. To such a business, a restart grant based on rate payments is insignificant against the cost of carrying seasonal stock. In the fashion retail sector, seasons are to fashion what food is to Tesco and each season has a sell-by date. Hotels and restaurants do not need large numbers of staff returning if they do not have the footfall and the reopening of their premises is eating up their cash flow far in excess of the grant available. Businesses need supports that will assist them in weathering the storm until a calm arrives.

The talk of a possible resurgence of Covid-19 to crisis level, resulting in another lockdown, does not instil confidence and if people are not returning to work, there will be no consumer confidence to spend. The Government must ensure we do not aid a self-fulfilled prophecy of a recession. Businesses do not need large numbers of people to work if they do not have customers to serve. The associated cost for them to open will be a fraction of what their wage bill will be and the restart grant needs to be at least ten times what it is if we are to ensure people are to stay in the habit of work. We must not create a welfare state. We must assist businesses and ensure the supports are sufficient for their needs. The Government needs to make provision for that now. We do not need to wait around. Like all successful strategies, planning is key and we need to plan now for a revised restart grant that will be delivered through the July stimulus. The temporary wage subsidy scheme must continue, possibly until this time next year, if businesses continue to struggle. Certainty must be given to get momentum going and I implore the Tánaiste to assist businesses, not social welfare queues.

My colleague, Deputy Denis Naughten, who is unavoidably detained today, requested that I ask the Tánaiste about the steps that are now being taken to secure jobs at Aptar in Ballynasloe. I heard the Tánaiste speak about this earlier, but Deputy Naughten is requesting that the Tánaiste consider bringing all State agencies and the two local authorities in Galway and Roscommon together to implement a co-ordinated strategy for the town and the surrounding communities. I understand that Deputy Naughten has written to the Tánaiste directly and he might furnish him with a response.

Deputy Leo Varadkar: I know Deputy Naughten has a particular interest in the matter of Aptar and he has been in touch with my office directly, as has Senator Dolan. We do not yet know how many job losses there will be but IDA Ireland and my office will get involved to see what we might be able to do to protect as many of those jobs as we can and see what alternatives can be found, if at all possible.

Acting Chairman (Deputy Catherine Connolly): We will move on to the Rural Independent Group. Members have two minutes each, beginning with Deputy Mattie McGrath.

Deputy Mattie McGrath: Tá mé liom féin. I am on my own.

Acting Chairman (Deputy Catherine Connolly): Tá ocht nóiméad aige, mar sin.

Deputy Mattie McGrath: Beidh na Teachtaí eile istigh ar ball. I too congratulate the Tánaiste and wish him all the best in his new position. We need a dynamic Department for Enterprise, Trade and Employment. I am supporting the fund today but it obviously will not be enough because it is minuscule in comparison with the health budget. It must cover everything, including small self-employed coach owners and so on. Some of the ones that were contracted to Bus Éireann have been supported by 50% funding but the others did not get a penny. Many people over 66 years of age are self-employed, such as shopkeepers, bus owners and funeral undertakers. There is a wide range. I welcome the fact that na gruagairí and the barbers were back open yesterday and the queues outside William Walsh Barbers in Irishtown, Clonmel and many others was amazing. That is an art and it is a cultural event as well. The social distancing was impeccable and the people taking bookings and everything else was great.

All the way along, business is what makes us tick. Take any business. I was just thinking about this when I walked in and saw how few people were here in the spacious surroundings and the ambience. I said last week that we should not be here unless the full Dáil was sitting. If a business had an A option or an option of a place like this, it would not be considered because the business could not afford it. We cut our cloth according to measure. That is what every business must do. Many self-employed people and their staff, where some have them, have a great relationship. It is not like what happened in Debenhams, or what happened with *The Nationalist* in Clonmel and the *Tipperary Star* where conglomerates took over, sacked many staff and then got Covid payments for the rest of them. What is going on in big business is disgusting. It is now taking over everything. Many small businessmen or women started with a dream after school. Many of them did not even go to college. Some of them have been working for up to 60 years. A woman from Roscrea was in contact with me several times. She lost her husband early in the year and was devastated that she could not open her shop. It is her life to open the shop gach maidin and to meet and serve the customers. There is an interaction and a loyalty. I should declare I am a self-employed business person, and the loyalty of all our customers is valued and respected. It is a two-way street.

There is great difficulty with tying the grants to rates. The council is doing its best but it told me only last week that it had not received a penny from the Government to match the funding it wishes to give where it is giving the holiday or break. Many people in the towns of Tipperary ranging from Carrick-on-Suir to Clonmel, Cahir, Tipperary town, Cashel, Nenagh, Templemore and Roscrea are getting bills for the second moiety of rates in July. Some of the rates were doubled or trebled since last year under the review. They do not have a hope. At one time one got something for paying rates. It might be a wheelbarrow of salt if there was frost and ice or the refuse was collected. One got different services from the local authority, but now one gets zilch. We need to help them.

There are huge areas involved in this. The arts industry is on its knees, including country music and Irish music. I love the céilí, the rince seit and rudaí mar sin. The dancing schools need support and help. It is not that they are looking for help. They will come back and flourish. They pay taxes, PRSI, rates, VAT and all the other taxes and will continue to do so, but they cannot at present. If one has no money coming in, one cannot pay it out. We should get them started. Tús maith leath na hoibre. I worry about the pubs, especially the small pubs and small shops. Will they ever start again? They want to start; it is their owners' life. However, there are the costs involved, including the added costs now. Fáilte Ireland is drawing up a 22 or 23 page document. I do not know why. I support Fáilte Ireland and a céad míle fáilte isteach in Éire an bhliain seo. We have the staycation this year. People cannot dream of attempting to go

abroad. People should spend the holiday locally and I ask people in the business to be careful, not to increase prices and to look after people. Ní neart go cur le chéile. We are on our own, but we need supports.

Deputy Verona Murphy spoke about the hauliers. Let us consider the cost of their equipment and the cost of excavators, machines and plant hire. There is a wide spread. That is what Ireland is about, and it has been hammered for the past 20 years with regulation after regulation. We are not anti-regulation, but much of it is unnecessary and over-policed. We must turn these bodies, and the National Employment Rights Authority, NERA, is one of them, into a national support service for the self-employed. We must have self-employed people. We can secure the big conglomerates and foreign direct investment. There are many in my county and I value them. They are welcome and provide wonderful jobs. Merck has been there for almost 50 years. We also have Abbott, Boston Scientific and many others, including my local Clonmel Healthcare. However, we need small businesses, including taxis, especially in rural areas. Even members of the clergy need to be supported. They have been getting nothing during this time. They have had a very lonely time. They had to work and held funerals when families could not be there. They need support. We must allow worshippers back to worship as well.

I worry about this Government with regard to hunting, horse racing and coursing. These are all businesses that belong to people. People put their hands in their pockets for money they have paid tax on to buy their box, pick their stable, have their pony or horse there, buy their tackle, pay the veterinarian and so forth. That is all an industry in rural Ireland. I worry about that. I mean no disrespect to the Tánaiste and the Green Party, but do they understand that this is all part of our culture and heritage? The spirit of the meitheal is also part of it, whereby people start small with a one-man or one-woman business and grow it. However, they are cast away. Let us also consider the tourism industry and the tour coaches. J.J. Kavanagh & Sons in Tipperary and many smaller companies bring the tourists and move them around. The wonderful drivers and wonderful coaches win their respect and then they are well received in the hotels. I was delighted to see that Hotel Minella in Clonmel - the Tánaiste was there previously once or twice - and Cahir House Hotel, along with River House and The Lazy Bean Café in Cahir and other hostelryes, have reopened. However, they must be supported. We all want to respect the social distance and to be careful, bí cúramach ar fad. We see what is happening elsewhere, but there must be meaningful and tangible supports.

The banks are not working. They might as well be closed, with a "Closed" sign up. Many people have mortgages and others have business loans, but they have all been pulled. That is the support from the banks. I saw this morning on Facebook that their quarterly charges are growing. During the pandemic they had no customers to deal with and no money to count. It was all done with cards, or 90% of it was. I worry that the banks are not functioning. There is nothing in the programme for Government about community banking, such as there is in Germany and Switzerland. The banks have the Government under the cosh. I do not know why the Government went with them. There is no regulation of them. The receiver and all the murky business is still happening and terrorising business people.

Business people do not have their hands out to beg. If they get back working, they will repay in spades. They will turn over the money, create jobs, pay VAT and taxes, pay the rates, insurance and so forth. Insurance was not touched either by the Government. It is afraid of the big concerns. Big is wonderful for the Government, but it is afraid of it. Being big is everything. The previous Government had no interest in the small people, na daoine beaga. I hope it will change now, but I do not see anything in the programme for Government that indicates

it will change. We just need help to get back on our feet, dust ourselves down and to be able to develop, re-employ and re-engage. The costs associated with the Covid are too much, along with over-the-top regulation and paperwork. Mar fhocal scoir, I must mention paperwork and bureaucracy. They have mushroomed. If we could turn paperwork into money, we all would be rich. That is overdone and must be levelled and cleaned out.

Deputy Michael Fitzmaurice: First, I wish the Tánaiste the best of luck in his new office. He has a tough job ahead with regard to the jobs issue, but by working together we can get through this. Last week, I spoke to the previous Minister, Deputy Humphreys, on the telephone about Aptar and, in fairness, she referred back to me about it. Can the Tánaiste confirm that the IDA is liaising with Aptar? Aptar highlighted that research and development is a problem in Ireland. It also spoke about insurance costs, electricity costs, rates and other matters. Some of those things can be fixed. Will the Tánaiste give an undertaking that the IDA will try to resolve these issues? The 120 jobs in Ballinasloe are equivalent to 12,000 jobs in Dublin.

There has been a huge uptake of the voucher scheme in the LEOs. In Roscommon and Galway last week, all the money was allocated, including the extra money that was provided. Can the Tánaiste confirm that more money will be provided to help those businesses?

In addition, a problem has arisen with the livestock marts. The marts had to adapt to many new ways of doing things. It depended on turnover. If the mart was over €2 million, to take the figure from the top of my head, it did not qualify. Most marts in the country make between €80,000 and €160,000 in profit in a year. That is when it is going well, to be frank, taking account of insurance and so forth. They were left out of the scheme. Can the Tánaiste confirm that somebody will examine that and try to help them?

My final question is on planning. We need jump leads to kick-start businesses again. When considering this, will the Government look at the Danish model? Many young people who are considering new ways of doing things might have a shed beside their house in a rural area. At present, they are being blocked from doing things in them. Can we look at the planning side to give incentives? I do not want to take up all my time so perhaps the Tánaiste can reply to those questions.

Deputy Leo Varadkar: I am not familiar with the Danish example the Deputy mentioned, but I will be happy to learn more about it. I will check about the marts. I understand from what the Deputy said that they are not included in the scheme. We will examine that and see if it makes sense to include them as part of the July stimulus. I know there are some other examples of companies and businesses that have been excluded, as mentioned by earlier speakers.

In regard to Aptar, IDA Ireland is in close contact with the company and has offered to support it to try to avert any potential job losses, if that is at all possible.

Deputy Marian Harkin: I congratulate the Tánaiste, Deputy Varadkar, on his appointment and wish him well. It is unusual to congratulate somebody on what could be seen as a demotion but, nonetheless, we wish him well because if he does a good job, that is good for the country.

I will vote for the Estimates today. The Tánaiste knows I have spoken across the floor with him on many occasions about the huge challenges our SME sector is facing. According to IBEC, the average debt for an SME due to the Covid crisis is €50,000, which is a substantial sum and has done significant damage to balance sheets. I think everybody agrees that more Government support is needed.

30 June 2020

The last time I spoke to the Tánaiste in Dáil Éireann, I pointed to the €50 billion fund that Germany had put in place. He asked me to send him information, which I did. That sum has now increased to €130 billion, a significant amount of which is grant aid. For example, companies with fewer than five employees are getting a down payment of €10,000, and if they have up to ten employees, it is up to €15,000 to cover fixed costs. The position is similar in the UK, including Northern Ireland. Just a couple of kilometres from where I live, across the Border, the average grant aid to companies is around €10,000 and is higher if they are in retail or leisure.

We need to be ambitious. We need to look at the real needs of SMEs because many business owners are looking around and wondering whether they are going to open up, given the mountain of debt that has been building up over recent weeks and months. They will look at that and ask, “When am I going to be able to pay this back?”. As they are not going to be in a position to make a profit for a period of time, unless the State is willing to step in many of those businesses will seriously consider whether they will open again. I do not need to tell the Tánaiste the hugely negative of implications of that.

This is what I have said from day one. Businesses need hope. They need to believe that in three and six months time, they will have an opportunity to break even or even just keep going, because that is what drives many businesses and entrepreneurs. They will keep going if they can see a future. We look forward to the July stimulus. I ask the Tánaiste to look at two things: scale and speed. It needs to be large enough to make a difference and we need to efficiently and effectively get that money to SMEs.

I have two brief further comments with regard to giving hope. I remember when the Tánaiste, in his then role as Taoiseach, came to Sligo to launch the 2040 plan. On that day, he designated Sligo as a growth centre. I looked carefully at the regional development part of the programme for Government, which sets out the Government’s intention to “Develop the cities of Cork, Waterford, Limerick and Galway as viable alternatives to Dublin, and help regional towns prosper.” If we in the north-west knew that the Tánaiste’s commitment to Sligo as a growth centre was still there, that would give people hope.

I accept that the final issue I am raising is not part of the Tánaiste’s area. When there is an emergency in a constituency, it is very important to the people there. There has been a huge mudslide or bogslide on Shass mountain outside Drumkeeran in County Leitrim. People who have been there, and I have spoken to many of them, have described it as being like something we would see in a movie. They just could not believe it was happening in front of their eyes. It will fall to the county council initially to deal with this, but county councils have no revenue stream and their money is cut off. I ask that the Government would look at this emergency situation. It needs to be looked at right now and structures need to be put in place to try to alleviate the huge damage that has been caused and will continue in the event of further rainfall. I wanted to raise that issue. Perhaps the Tánaiste will reply to me in writing about the very important issue of Sligo as a growth centre.

Deputy Leo Varadkar: I want to reassure Deputies Harkin and Feighan, and everybody in Sligo, that it remains Government policy that Sligo should develop as a major urban centre for the north-west. Project Ireland 2040 is alive and well and will continue to be implemented. The fact there is no specific mention of it in the programme for Government does not mean the policy has changed. It is something I am very committed to personally and I want to reassure the Deputy about that.

I apologise, but I had not heard about the mudslide. Perhaps it only happened today or yesterday. As is always the case when a disaster like that happens, the Government will want to help and assist, and I have no doubt I and my colleagues will take an interest in this and see what we can do.

Vote put and agreed to.

Sitting suspended at 3.25 p.m. and resumed at 3.45 p.m.

Minister for Health (Deputy Stephen Donnelly): I move:

Vote 38 - Health (Revised)

That a sum not exceeding €19,897,700,000 be granted to defray the charge which will come in course of payment during the year ending on the 31st day of December, 2020, for the salaries and expenses of the Office of the Minister for Health and certain other services administered by that Office, including grants to the Health Service Executive and miscellaneous grants and that a sum not exceeding €30,000,000 be granted by way of the application for capital supply services of unspent appropriations, the surrender of which may be deferred under Section 91 of the Finance Act 2004.

As I stand in the House for the first time as Minister for Health, I am deeply conscious of the impact of Covid-19 on the people living in our country. We have seen our safe, well-ordered worlds of routine turned upside down. We have lost beloved friends, family members and neighbours and have been unable to mourn them as we want to. We have asked more and more of the people working on the front lines and behind the scenes in our health service. We have asked them to work relentlessly in the face of what must have seemed like endless days and nights. I thank every one of them from the bottom of my heart for all they have done. I know that the people they have worked so hard to care for do too. I thank our radiographers, porters, healthcare assistants, midwives, doctors, ambulance personnel, receptionists, nurses, and those in the hundred other professions that have cared for patients and kept our hospitals and other health facilities running so well in the face of this awful disease.

We need to repay their hard work, and that of many others outside the health service, by continuing to listen to the public health advice. This disease has not gone away. It is highly infectious and many people in our society are especially vulnerable to it. As we heard last night from Siobhán Killeen of the Dublin GAA team, even people who are fit and healthy can become very ill. We know that, even after people have recovered from infection, they can face weeks or months of after-effects. We have to keep up the good work or we risk losing the ground so many have fought so hard to gain.

It is, of course, very important that we reopen society and our economy but we cannot do so at the risk of another wave of infection around the country. I ask people to follow the advice of the experts, who have guided us very well so far. We still need everyone to wash their hands well and often, to maintain their physical distance from others, to try to limit their contacts with others, to observe cough and sneeze hygiene, and to wear a face covering where physical distancing is not possible. We need everyone to remember the symptoms of Covid-19 and to contact a GP immediately if they feel sick.

Covid-19 has affected every part of society, including our finances and previously agreed

budgets. This afternoon, I seek the House's approval for this Revised Estimate for the 2020 Vote for my Department, Vote 38, to ensure the health service continues to be funded in 2020 to meet the significant and unprecedented challenges of Covid-19 and to ensure the funding of much-needed health and social care services for our people.

The original Revised Estimates for Public Services for 2020 were published in December of last year and included a total of €17.9 billion in Exchequer expenditure for Vote 38. Following this, the national service plan for 2020 set out the totality of planned services for the year, based on the December allocation. This included additional provision to advance Sláintecare objectives in 2020 and other key development priorities. The delivery of the plan for 2020 has been severely affected by Covid-19, as the health services responded in an unprecedented fashion to the pandemic and incurred substantial additional costs in so doing. As a result, the Revised Estimate presented today provides an additional €2 billion to health in 2020. This brings the new adjusted total for the health Vote to €19.9 billion.

Today's debate has a very specific purpose. Approval of these Estimates provides the legal basis for the increased expenditure being incurred by the health Vote and will ensure that the health service is funded in the months ahead. The scale of expenditure to date and measures taken in response to Covid-19 and the overall impact of Covid-19 on the finances of the health system means that the passing of this Revised Estimate is essential to ensure compliance with the four-fifths expenditure rule.

The figures presented to the House represent the expenditure approved by the previous Government for Covid-19 measures to date. It does not represent the totality of the costs of Covid-19 for this year, nor an estimate of same. Significant further investment will be required this year in areas such as personal protective equipment, PPE, acute bed capacity and planning for winter 2020. We will also have to continue to assess the impact of factors such as the potential increase in those qualifying for medical cards due to economic developments and a potential reduction in private charge income to hospitals.

Today's debate is also an opportunity to begin a new conversation about our health service and its funding. The pandemic response has highlighted many strengths and positives in the health service. However, we know that our health service is challenged in normal times and was not best positioned to deal with the pandemic. Poor access to primary and community services, capacity deficits in acute hospitals in areas such as critical care and weaknesses in the governance and integration of services were handicaps that the health service has moved rapidly to deal with as best as it could.

We need to build on this work and in doing so ensure the health system has the capacity and capability to meet future demand. We know for sure that future demand will be influenced by a growing and ageing population, but as recent months have proven, we must also be ready for unexpected public health threats. A stronger more resilient health service is a national priority. The pandemic response has required the implementation of many of the key principles in Sláintecare, a single-tier health system for Covid-19 patients, care provided at home or in the community instead of in hospital, and telemedicine, virtual consultations, e-prescribing and other e-health initiatives. The benefits of these principles have now been demonstrated and we must apply these lessons across the system.

In recent months there has been significant investment and enhancements in capacity and staffing across the health system. This too needs to be sustained, as major additional invest-

ment will continue to be required to increase the capacity of the public system to better meet the health needs of citizens. As the reopening of the economy and society progresses, the many challenges that the health system faced before the pandemic still exist, but now must be tackled in a new and at times more challenging context. One of the most pressing tasks is to resume the operation of health and social care services in the face of a, thankfully, much reduced rate of Covid-19 infection. This will involve on-the-ground assessment and changes in clinical practice to prevent and control infection. It will take some time to clarify what level of activity will be possible to achieve in each of these settings. While the HSE is working on a clinical roadmap for the delivery of non-Covid services in a Covid environment, it will be necessary to reassess the targets set out in the national service plan. Capacity in many services will remain reduced and demand is likely to be higher than normal, both because elective activity was postponed during the crisis and because demand for many services may be higher than pre-Covid levels. Meanwhile, we will need to be vigilant in implementing the public health surveillance controls to avoid further spikes of Covid infections, while being prepared to deal with any upsurge in healthcare requirements if, as a country, we are not successful.

The programme for Government sets out the Government's vision to address both the long-standing and new challenges. Building on the Sláintecare vision and reflecting on the Covid-19 pandemic response, this Government has set as its mission the introduction of universal healthcare. The key building blocks to achieve this include the delivery of more care in the community, increasing capacity in the community and in acute hospitals, with an immediate focus on critical-care capacity, supporting the healthcare workforce and implementing e-health.

The programme also makes specific provision for enhanced care for older people and provides for the establishment of a commission on care and supports for older people. The delivery of this programme will require major investment in the public health service through both current and capital expenditure. However, it will also require major reform. This reform will not just be about how we deliver health services but also how we fund and invest in them. The programme for Government identifies the need for generally improved budgeting for demographic-related costs, which is particularly relevant to health services. Ministers will be required to produce service improvement and reform plans. As set out in the programme, spending on health will be prioritised for improved budgeting.

Returning to the Revised Estimates and the measures contained within, in support of the national action plan on Covid-19, €2 billion in additional gross expenditure has been approved to date for specific measures. This funding is incorporated in the Revised Estimate. Approximately €1.2 billion in additional cash has been advanced to the HSE to the end of June to meet the ongoing costs of managing the pandemic. As a result, my Department estimates that, based on current trends, the health Vote will reach the ceiling under the four-fifths rule for expenditure by August. Hence, this request to the House to endorse the Revised Estimate so as to resource measures to tackle Covid-19 and continue to deliver a broad range of health and social care services.

I will now outline the key health measures delivered to date under the national action plan on Covid-19. Further detail has been provided to Deputies in the briefing pack prepared by my Department. The first measure relates to testing and tracing. At the core of Ireland's Covid-19 response is a commitment to robust and continuing public health actions, including testing levels, contact tracing, modelling and surveillance to estimate the potential impact, communicating evolving public health messages and maintaining public awareness so that we can adapt our public health response as flexibly as we need to.

30 June 2020

The national public health emergency team, NPHET, has recommended that the health service needs to have a testing capacity of 100,000 tests per week for the remainder of 2020. The HSE has put this capacity in place with 90% of all tests complete from end-to-end in three days or fewer.

The plan includes support for nursing homes and home support. The Revised Estimate makes provision for the temporary assistance payments scheme, which provides support to private and voluntary nursing homes to ensure that they can continue their role in the overall public health response to Covid-19. The nursing home sector cares for one of the most precious and vulnerable groups in society, and our goal is to protect older people wherever they are living. Priority actions include heightened infection control measures, supporting staff working in nursing homes, and ensuring their safety and health as we continue to deal with this pandemic.

In addition to financial support, the HSE is also providing substantial non-financial support in the form of PPE supplies, temporary accommodation for nursing home staff and through the crisis response teams, including deployment of HSE staff. There is also considerable support in the form of telephone support, infection prevention and control, IPC, support and public health support provided to nursing homes.

Revised arrangements with GPs were established to ensure that the people had access to triage services for Covid-19. I compliment GPs and everyone who works in general practice on how they have responded. Dedicated Covid-related respiratory clinics were set up in GP practices, and telephone triage was set up to facilitate remote access to services in line with public health advice. The clinical management of patients with mild symptoms of Covid-19 was shifted from hospitals to home and community settings. These arrangements were for an initial period of three months. However, key measures have been extended until 10 August 2020.

With regard to caring for people in acute services, the initial focus for acute hospital preparedness was on building up surge capacity to ensure the maximum number of critical care and general acute beds were available to cope with the potential number of cases requiring hospitalisation.

Baseline permanent adult critical care capacity in Ireland was 255 beds. Funding for a further 40 adult critical care beds, and two paediatric critical care beds, was provided as part of the response. In addition to the funding for increased critical care capacity, the response to Covid ensured funding for an additional 324 general acute beds.

The acute hospital system and critical care service have coped during this crisis.

While bed occupancy reached 280 critical care beds at the peak, the additional demand for critical care was met by surge ICU capacity. Thank God we did not see the scenes that some of our neighbours in Europe did with people needing serious acute care in hospital car parks.

The HSE secured 100% of the capacity of the private hospitals for an initial period of three months. As of Monday 22 June, 11,531 public patients have been treated as inpatients, 46,298 as day cases, 44,865 as outpatients while 71,967 public patients have been provided with diagnostics in private hospitals under these arrangements. This agreement concludes today, 30 June, and work is ongoing about future arrangements with the private hospitals.

The national action plan provided for a significant expansion of the health workforce. The

HSE pay budget has increased by €490 million in these Revised Estimates due to the projected increased salary, agency, overtime and absenteeism costs associated with the response to the Covid emergency. The number of whole-time equivalent staff in the HSE has grown by 3,271 this year to the end of May. My officials are engaging with the HSE on staffing requirements for the remainder of the year to meet Covid-19 and non-Covid-19 demand.

As part of the response to Covid, there has been investment in the expansion of community care places, including those for persons with a disability, across the country. This includes advancement of projects planned in line with the disability de-congregation programme, as well as upgrade and refurbishment work on suitable facilities. In addition, arrangements were made for healthcare staff needing to self-isolate. These have largely been managed locally by the community healthcare offices of the HSE. Centrally, the main isolation facility established was Citywest. The HSE has decided to step down this arrangement and has triggered the break clause. The agreement will conclude on 22 October.

A key focus throughout the pandemic has been in the area of infection, prevention and control. In a time of global shortages and intense competition for personal protective equipment, PPE, the HSE, with the support of my Department, IDA Ireland, the Department of Foreign Affairs and Defence and others, managed to rapidly develop global and domestic supply of PPE. PPE will represent one of the single biggest items of expenditure associated with the Covid-19 response. My Department advises that HSE modelling has identified that the overall cost of PPE in 2020 could be as high as €1 billion. My Department and the HSE are engaging on this matter.

The additional funding allocated to the health Vote has allowed for a rapid and targeted response to implement the measures outlined in the national action plan. We remain in a pandemic and the scale of the challenge for the health services is unprecedented. Further investment will be needed, such as additional PPE, an enhanced flu vaccination programme for next winter, increased capacity and alternative arrangements with private hospitals. Such measures are under review by my Department in collaboration with the Department of Public Expenditure and Reform. The Government will be asked to determine additional funding allocations where necessary. Also subject to further review and deliberation are the achievability of national service plan savings, the loss of hospital income as a result of Covid-19, additional costs associated with recommencing non-Covid healthcare in an environment of physical distancing and heightened infection control and additional initiatives for the winter.

The health system responded quickly and efficiently to the Covid-19 emergency. Additional spending has facilitated necessary and rapid introduction of testing, provision of essential PPE, enhanced support to critical health services and introduction of additional hospital capacity and community services.

Existing oversight structures between the Department of Health, the Department of Public Expenditure and Reform and the HSE, including the health budget oversight group, along with new structures and processes, have facilitated timely decision-making during the pandemic while also ensuring high standards of governance are maintained. These structures ensure this significant investment is approved, monitored and reported in line with agreed sanctioning processes and financial procedures.

I commend the Revised Estimates for the health Vote to the House. It represents a significant but essential investment in Ireland's pandemic response. Ireland has been successful

in flattening the curve of coronavirus transmission. This pandemic has been an unprecedented challenge, met with great solidarity and fortitude by the people. We are going to need that continuing sense of community and responsibility as we take our first steps into a reopened country, travel around Ireland and learn to live with Covid-19. We all need to use our own judgment and take personal responsibility for protecting, not just ourselves, but those around us. I am asking everyone to be aware of the risks, keep informed about the disease and where it is in our community. People should check our online Covid-19 data hub before they leave the house, like they do with the weather. One should keep a log of the people one meets so that public health officials can contact them if they need to. We are not out of the woods yet. If we stay the course together, however, there will be a day when we are.

An Ceann Comhairle: Thank you, Minister. We congratulate you on your appointment and acknowledge that it is very much in the nation's interest that you succeed in the challenges that lie ahead.

I call Deputy James Browne.

Deputy James Browne: I am sharing time with Deputies Troy and Murnane O'Connor.

I wish Deputy Stephen Donnelly the best of luck in his new ministerial role. He is a highly capable Deputy. I have been glad to serve beside him for the past number of years. I look forward to significant reform and delivery that I have no doubt he will deliver under his stewardship.

I express my sympathies to the families of those who have passed away since I last spoke on this issue in the House. It is deeply difficult to lose any loved one. What some families have had to go through with Covid and burying loved ones without being able to do it in the manner that would befit those who passed away is extremely difficult. I acknowledge the will and the strength of the people for the past several months, as well as those who continue to do their very best for our communities.

I acknowledge last night's "RTÉ Investigates" programme. We owe a huge debt of gratitude to our front-line workers. The selfless and life-saving determination of those health workers we witnessed in that programme is phenomenal. I acknowledge their compassion, dedication and the sensitivity with which they handled extremely difficult circumstances. What we saw last night in St. James's Hospital is reflected across our healthcare services. Our doctors, nurses, healthcare workers, paramedics, porters, catering staff and security staff in hospitals and healthcare centres deserve phenomenal respect and thanks. Covid is an ongoing situation. If there is anything we can do to acknowledge the determination and effort healthcare staff have made, it is that we follow the Government's advice in terms of continuing to use alcohol-based sanitisers on our hands when going in and out of supermarkets and so forth, to use face masks where advised and continue to remember the sacrifices that our front-line workers have made during the lockdown. It is not just our healthcare workers but our postal workers, public and civil servants, gardaí, volunteers, and staff throughout the public and civil service have done phenomenal work. They deserve a huge acknowledgement.

Covid-19 has led to an unprecedented interruption in healthcare delivery across the world. It has affected services across all of our hospitals and community care settings. The programme for Government pledges that the resumption of services will lead to the delivery of services in a planned, appropriate and considered manner.

I want to focus on how this pledge will impact on our mental health services and drugs services. The outbreak of Covid-19 has created significant anxiety, stress and fear among many people, reinforcing the need for a range of mental health supports and services. Sharing the Vision - a Mental Health Policy for Everyone is a new national health policy focusing on a stepped care approach to enable individuals to access a range of services that best meet their needs and circumstances as close to home as possible. It retains multidisciplinary staff teams as the cornerstone of support to individuals with mental health concerns attending primary care services. By providing more assistant psychologists, occupational therapists and other key workers, we will create a flexible approach and encourage more collaboration with acute services in the voluntary and community sectors. We will ensure that any new services, such as Outreach, are supported by community cafes and intensive rehabilitation units. Care will be provided to vulnerable people in a variety of inpatient and community settings.

The outbreak of Covid-19 advanced the development of online training, counselling and crisis texting in our health services. This is very much welcome. Through the promotion of digital health interventions, such as online training, safeTALK training and a new pilot telepsychiatry services, including in emergency departments, we will significantly improve access to mental health services. A Vision for Change, the predecessor document to the new national policy, set a high standard for the development of mental health policy, but it did not have an implementation plan effected to ensure that outcomes were being measured. Sharing the Vision includes an implementation roadmap, with outcome indicators, and allocates ownership of the recommendations to lead agencies, with time-bound implementation targets against each action.

In further developing our mental health services we will work to end the admission of children to adult psychiatric units by increasing inpatient beds, as well as by examining the model of assigning these beds. We will open the new National Forensic Mental Service hospital in Portrane. The programme for Government also commits to examining the need for the appointment of a chief psychiatrist in the Department of Health and a national director for mental health in the HSE to help co-ordinate and make more efficient the delivery of mental health services throughout the State.

A health-led approach to drugs misuse will be key in drugs policy. Substance abuse and addiction affects people from all walks of life. By treating the use of substances as a public health issue, rather than solely as a criminal issue, we can better help individuals, their families and the communities in which we all live. I am glad to see that the refresh of A Vision for Change will correct a most egregious anomaly whereby those who had addiction issues were treated separately from those who had mental health issues. I am glad to see this finally being addressed. The national drug strategy, Reducing Harm, Supporting Recovery 2017-2025, provides a roadmap to achieving these aims by promoting a more compassionate approach to people who use drugs, with addiction treated first as a health issue. We will also see the committee for Reducing Harm, Supporting Recovery linked to the Sharing the Vision implementation committee. It is critical that there are cross voices on those two committees, to reassure and reconnect the connections between mental health and drugs issues. There is huge hope here but the key issue will be in the implementation of our mental health policy and our drugs policies.

Deputy Robert Troy: I add my voice to the congratulations to the Minister, Deputy Donnelly. He comes into the role with a wealth of experience. It is very important that the new Minister can hit the ground running. Of all the Departments within the new Government, this Department perhaps has the most challenges. It is welcome the Minister, Deputy Donnelly, knows what needs to be done straight away.

I also add my voice to the thanks to the people who work on the front line. If anyone was in any doubt, last night's programme hit home the level of compassion, care, volunteerism and of going over and beyond what is necessary. The programme was a testament to them. We salute all our heroes across the many aspects of our health service and all the people who have worked on the front line in the past weeks.

I have a number of specific questions on which I hope the Minister, Deputy Donnelly, can come back to me today or later on. With regard to public health consultants within the area of community infection prevention and control, I understand there is an issue around their contracts and the threat of a strike. The area of infection control is important and I wanted to bring this to the Minister's attention as something he needs to look at very early in his tenure.

As we discuss supplementary budgets, will the capital budgets announced at the beginning of the year be ring-fenced? Is there a guarantee that projects committed to, for instance, a particular hospital or service, will proceed? I am thinking, for example, of the MRI scanner for the Midland Regional Hospital, Mullingar. It was part of the 2020 service plan. Some €2 million was allocated to the building of the hospital wing that would accommodate this scanner, for which local community groups fundraised. The funding is now in place and I want to ensure the money ring-fenced for this will be there, and that the scheme can advance during this year.

I turn to the advice by NPHET around places of worship. Last week a decision was taken that one size does not fit all. Comparing a small rural church to a big cathedral that may hold 2,000 people, then regardless of the size of a church, restricting numbers to 50 people does not work. The church authorities have made a lot of effort to try to bring about proper protocols so they could commence holding confirmations and Holy Communions. I have been contacted by many families in my constituency who are worried that these sacraments cannot proceed for their families. I am quite conscious that not everyone will be worried about this as an issue but there is a sizeable number of people in our constituencies who are worried. The original guidelines were reversed and then the reversal was further reversed. I ask the Minister to bring clarity to the matter so that people will know, depending on the size of the church, whether or not the 2 m rule will be adequate to ensure the protection is in place. Nobody is talking about compromising public health.

We should never waste a crisis. Covid-19 has identified an opportunity to bring about the necessary reforms within the HSE so that the people for whom the HSE was established to serve are best served. We need to ensure there is no longer a situation where the delivery of a treatment or service depends on the region of the State a person lives in or how deep his or her pockets are. Treatment and service should be universally available to everybody depending on medical need. If the Minister, Deputy Donnelly, can ensure this happens during his tenure, then it will be a job well done.

Deputy Jennifer Murnane O'Connor: I too wish our new Minister well in his role. There are many challenges there and healthcare is so important to all of us. It does not matter whether a person has private health insurance, a medical card or whatever, everybody is entitled to the same treatment. We have to go forward like that, all working together. I pay tribute to the healthcare front-line workers and to everyone who worked so hard over the past months. It has been very hard. We should appreciate everyone who worked so hard.

With regard to the schools vaccination programme and the students who would ordinarily receive their vaccines but due to Covid-19 restrictions have not, will these students receive all

their vaccines this year? Will they be accommodated in the autumn roll-out of vaccinations countrywide? Will dental patients on medical cards be able to access the National Treatment Purchase Fund, NTPF, to have pressing procedures undertaken? This is one of the biggest issues given the number of telephone calls I have had on it. Perhaps the Minister will provide clarification on this in writing, because it is important to get it sorted so everybody can get his or her dental treatment. Does the Minister know the waiting list times in the HSE schools programme for children under 16 years of age awaiting approved braces, or HSE dental procedures? Is there a breakdown of procedures available? Does the Minister know if there is a timeline for these procedures to take place, given the Covid-19 restrictions? I know the Minister will come back to me with these details.

I am aware of another serious issue that needs to be addressed, and on which I have had several telephone calls over the past months. If a medical card holder is charged for blood tests, can he or she be refunded by the HSE? People from Carlow town, Tullow, Bagenalstown and all over the constituency have telephoned me about this. Some of them are being charged for their blood tests even though they are medical card holders. Can one get a refund? Is there a system where the money can be claimed back from the HSE? There has been so much confusion over this. I have been on to the HSE but I find that I need to get the matter clarified. Can one actually receive a refund? If a person holds a medical card then he or she should not be charged for getting bloods done. People have come to my office and told me that they could not afford to have blood tests done even though they had medical cards. Can we have clarification and will the Minister revert?

I wish him well. There are many challenges. He might be able to revert with answers now, given that we have a few minutes left.

An Ceann Comhairle: Does the Minister wish to respond? I am afraid that there are only seconds left.

Deputy Stephen Donnelly: Yes. On the Deputy's various points, I will get her a detailed briefing and offer her a meeting with the officials, given that different officials will handle the various questions. We could then go into the detail of the school vaccination programme.

As to using the NTPF for dental procedures, a part of the programme for Government is the expansion of dental services. That is definitely an issue that has to be examined.

Establishing a timeline for orthodontic services will be an important part of the HSE's resumption of services plan, which is being put together right now. I will ensure that the Deputy gets a note on its status. I will also pose the question, and be happy to discuss the issue with her later, relating to medical card holders and blood tests. I will ensure that she gets a detailed note on same.

An Ceann Comhairle: Now we move to the Deputy O'Reilly of Sinn Féin, who is proposing to share time with Deputy Paul Donnelly.

Deputy Louise O'Reilly: We will share our time ten minutes with five minutes apiece. Within the confines of my ten minutes, I wish to allow a minute or two for the Minister to respond, if that is okay.

Like others, I will take the opportunity to wish him the very best in his new role. It is a great honour not just for him, but for his family and friends, to serve as the head of the health

services for the coming years. Having sat on the Opposition benches and the health committee with him, I know that he has an understanding of the issues and the crises facing the health services. While we might disagree on the required solutions, he is aware of the level of work that is needed to rectify the many strands of the health services that have been forced to struggle due to the actions of his predecessors and previous Governments.

The new Minister can be sure that, as I did with his predecessor on repeal, Covid and other significant healthcare matters, I will work constructively with him and offer solutions. Although I will be constructive, I take my role as the lead Opposition spokesperson seriously. I will work and engage constructively with those on the Opposition benches as well as the Government benches for the improvement of health services for patients and healthcare workers alike. I say this notwithstanding any signal that came from others on the Opposition benches at the weekend. The Minister can be sure that, while I will be constructive, I will also hold him to account. It is no more than he would expect.

With those formalities out of the way, I will turn to the Revised Estimate. I welcome the questions and answers format. It is a new departure and a good idea, and I will divide my segment into seven minutes and three minutes.

I have to be critical of the presentation of the Revised Estimate. This is not intended in any way to be critical of the Minister or how he will run the Department in future, given that this Estimate came to us last week when the Department was still the responsibility of the previous Minister, Deputy Harris. It was only a few hours before we came to the Chamber to review an estimated spend of €20 billion on the health services that we received a briefing document. That document did not offer much in the way of clarity or definitive detail as to where exactly the additional Covid-19 spending would go and how it would be spent. I thank the Minister and his office for the briefing, but it was scant on detail. I hope that this is not a sign of what is to come and that we can expect more detail in future. I also hope that he will ensure that, under his stewardship, the presentation of Estimates will change substantially, incorporate greater detail and be open to scrutiny by the health committee.

I remind the Minister that it was only last year that he called on the then Minister and the departmental officials to read the Parliamentary Budget Office's report on the Revised Estimates. He stated that it was "impossible to conduct decent scrutiny because the numbers are not comparable" and "there are a number of challenges in undertaking effective scrutiny of this money ... [because we are not able] to compare the figures from today to the figures from December ... because the [figures] are not like for like." Unfortunately, the same applies today, but we have the added complication of additional figures being inserted because of Covid-19. In this Estimate, we have subheads such as Primary Care Reimbursement Services Covid 19 Actions at €110 million, HSE - Covid 19 Actions at €1.6 billion and Capital Covid 19 Actions, including ICT, at €220 million. The briefing document that we received a few hours ago tries to give additional information, but it falls short of presenting a detailed breakdown of where and how the money will be spent beyond the inclusion of micro-subheadings. I will cover this matter more in my questions at the end.

There are many questions that we have to ask of the Minister and the Estimate is an opportunity to do so. Will this money be used to retain the bed capacity that was secured to prepare for a surge in the pandemic? Hundreds of beds were reopened, yet we hear today that there are 192 people on trolleys. For years, I pleaded with the then Minister to open closed beds only to be told that there was none available in the system. The Government magicked up 1,000 beds,

though. We need to keep them open.

While we are on the subject of trolleys, will the Minister continue to refer, as he did in opposition, to the INMO trolley figures, which are taken every day? It is ridiculous that successive Ministers get into a row with the organisation that compiles these figures. Can we settle on using the INMO figures from here on out?

How is it possible that some parts of this Revised Estimate have not changed since the Revised Estimate in December? It is unbelievable that the Department would produce this Estimate and maintain that some areas of spending outside of Covid-19 will not increase or decrease by virtue of the new dynamic facing the health service. It is also probable that there will be a slower than usual provision of treatments and procedures due to the new ICPs. Such a situation may result in changed figures from those included in the Estimate. Consequently, I do not know how the parts of today's Estimate that are outside of Covid-19 changes can show the same spending as December's Estimate. Deputies and the general public take into account that the deferral of treatments may result in increased costs when treatment is ultimately delivered. An analysis of basic health economics shows us that delayed care can mean an increase in costs, as diagnostic tests may need to be retaken and illnesses might become more advanced, necessitating more intensive treatments and longer inpatient stays. Depending on the scale of the effective reduction in the use of the public health service, there may be increased waiting times for inpatient and outpatient procedures post the pandemic. All of these effects are likely to result in a significant knock-on effect on non-pandemic public healthcare spending late in 2020 and into 2021. This has not been factored into the Revised Estimate. I am also cognisant of the fact that, unless and until an effective Covid-19 vaccine is developed, increased costs for PPE, contact tracing and so on will continue to put spending pressures on Vote 38. This means that we may well be back debating Supplementary Estimates later in the year.

My questions relate to areas where there should be more detail from the Department. For example, beyond stating that sanction for the €110 million under the Primary Care Reimbursement Services Covid 19 Actions subhead was provided to the HSE on 16 March in respect of GP services and is included in the funding approved by the Government, we have no further breakdown of how that amount was distributed, who received it and for what. Other procurement accounts for €89 million, which is the estimated cost to date. What does that incorporate exactly? Similarly, will the Minister clarify whether the planned €62 million relating to absenteeism relates to sickness due to Covid-19? There is a planned cost of €74 million on ventilators, with €18 million already spent. Can we get additional details on the number of ventilators procured and do we now have a sufficient quantity, including to cope with a potential second wave?

Some €9 million has been spent on the Citywest isolation facility to date. I understand that the contract has been cancelled. Is the State liable for the remaining €16 million outlined in the planned costs section of the departmental briefing?

Approximately €320 million has been spent on PPE, as outlined in the report of the Parliamentary Budget Office. Despite that, we have consistently been told that the HSE has spent €1 billion on PPE. Which is it? Who is correct and how much has been spent?

The private hospital deal is estimated to cost €258 million by 12 July. Will the total spend equal the planned gross cost of €426 million? Will the Minister provide some clarity on this matter? We do not have additional information on what we have got so far for the €258 million.

What use has been made of the capacity? How many procedures have been carried out? Does it represent value for money? Has the Department considered these matters?

It is disappointing that we do not have a further breakdown of the information. The Minister would share my disappointment were he sitting over here on the Opposition benches. He has promised a new departure in the Department of Health. Will the Minister examine, where the capacity exists, the purchase not of services from the private sector but actually the purchase of the facilities themselves, if they come up for sale? It has been done in other jurisdictions, it makes a lot of sense and it represents good value for money. Rather than paying in to the private sector which has to take a profit off the top, if the opportunity arose would the Minister consider purchasing those facilities from the private sector?

An Ceann Comhairle: Maybe we will hear Deputy Paul Donnelly because there is just a minute left.

Deputy Louise O'Reilly: That is fair enough.

An Ceann Comhairle: The Minister may correspond with Deputy O'Reilly.

Deputy Paul Donnelly: I also congratulate Deputy Stephen Donnelly on his new role as Minister for Health. I wish him well and commit to working with him in a positive and outcome-focused way that ensures that we deliver for and with our communities. As Deputy O'Reilly said we will also do our best to hold the Minister to account, as is our role.

Covid-19 has shown once again the true spirit of community that when needed, they are ready to help in whatever way they can. We must ensure that we harness, nurture and cherish the skills and expertise in the community. I have been involved in working and supporting communities in Blanchardstown for nearly 25 years. I have seen the highs and lows of community-led action to tackle problematic drug use. I was a founding member of the local drugs task force and several drug and youth and community projects. To be honest, we have gone back about 25 years when it comes to our voice being heard. Unfortunately our voice is being ignored by HSE management in particular. I have read in detail the programme for Government and the promises made on drug and alcohol services. In the future I would like to come back to the Minister on some of those concerns but for now I have a couple of questions.

I recently asked the previous Minister for Health, Deputy Harris, about supports for community drug projects and for funding for PPE and I note that the Minister mentioned earlier that there was a potential cost of over €1 billion for PPE for the HSE. Unfortunately, the answer I got back was that community drug projects across the State are not getting any funding whatsoever for PPE or for any adjustments that they need to make to their facilities. This shows a complete lack of understanding of funding of community drug projects.

As someone who is currently a board member of the Dublin 15 Community Drugs Team, every cent is spent and accounted for every year. There is no capacity for PPE and no capacity for us to be able to change the way our building operates to enable us to operate the service in the best way we possibly can. There is no leeway in funding and there is no magic tree there we can go to. Our funding comes primarily from the HSE and unfortunately that has been rejected.

We provide a programme called the Arising Stabilisation Programme and I invite the Minister out to see it in the future when we do get back up and running. It is a huge support for older, more vulnerable participants in our project and we have real concerns about how we are

going to get that back up and running again. The feedback we have gotten over the last number of weeks and months when the project has been closed and we have been dealing with people through Zoom and one-to-one phone calls, etc., is that these are deeply vulnerable people who need real one-to-one support. How we are going to do that given the costs that are going to be incurred by us? Renting other rooms is another additional cost that we cannot meet and that community drugs teams and other community services just do not have funding for into the future. Looking at funding it is really important, now especially. Will the Minister look at funding for community drug teams and how that is supported from now until the end of the year? Most likely it would need to be into the new year because as I said we do not have the funding to be able to do the work that is needed.

Drugs affect all communities and none is immune to their devastating effects. However, some are more affected than others and we work in very disadvantaged areas. Will the Minister give a commitment that disadvantaged communities be given a real voice at the table, from the top, on the national strategy and then on the ground with the local drug task forces? CityWide Drugs Crisis Campaign has looked at the programme for Government and at many other programmes for Government and national drugs strategies. They have said: “We have consistently argued for the strengthening of the role of the DATFs and for resourcing of the DATF projects and we need to see this Programme finally delivering on the resources required.” That is really critical as we move forward because that community has been really affected during the Covid crisis.

I have one other question around vaccines. Are there any plans to make the flu vaccine free for all citizens to take pressure off the services if a second wave materialises? I was talking to a health official last night and one of the official’s big concerns is around Covid-19 combined with the flu coming into the winter and how we are going to cope with that.

An Ceann Comhairle: Deputy Griffin is sharing with Deputy Durkan. They have 15 minutes.

Deputy Brendan Griffin: I thank the Ceann Comhairle. Deputy Feighan would like some time as well if that is okay.

I congratulate the Minister, Deputy Stephen Donnelly, on his appointment, I wish him the very best of good fortune into the future. I want to echo the Ceann Comhairle’s words earlier as well - when the Minister is successful in his job and is doing a good job it will impact on the lives of many people. I wish the Minister every success and offer him every support as well. I hope everybody in this House will do likewise because he is in what is ultimately a life and death Department. It is a very serious position, one of huge responsibility. I have no doubt it is a daunting task for any Minister for Health to step up to the mark and take on the job and I wish him the very best in the time ahead.

I also want to take this opportunity to acknowledge the role of the former Minister for Health, Deputy Simon Harris, and acknowledge all of the work that he did. It was a very difficult task indeed and particularly in the context of Covid-19 it was a hugely challenging role. I also want to acknowledge the former Ministers of State who served with him, Mr. Jim Daly, Mr. Finian McGrath and Ms Catherine Byrne for their work. They are no longer Members of this House but I want to acknowledge the years of work that they put in as well in the service of the people of the State.

30 June 2020

I welcome the opportunity to speak on the Revised Estimates. It is very important that the necessary and required investment be made and approved by this House. I want to acknowledge the outstanding response that there has been to date to the Covid-19 crisis by everybody involved in our health services. When I talk about everybody I mean everybody who is at the front line in our communities throughout the country, everybody who has been working behind the scenes in all of our health facilities, everybody who is working in the Department of Health and the HSE and all of the team who have undoubtedly played a huge part in saving many lives all over this country. We will perhaps never know the people whose lives were saved. We can however be quite certain looking at other countries and the huge devastation felt there that thankfully we have not had the types of numbers that some countries have experienced. We can be pretty sure that there were many lives saved here.

I also acknowledge the huge suffering that is still ongoing and the huge loss that is being felt by people. Many families throughout this country are grieving loved ones right now and have not even come to terms with what is happening yet. One person I spoke to recently who lost a family member was saying that it is all like a blur; we are still in the middle of this crisis and maybe it will hit us sometime soon, or perhaps later. I want to acknowledge those people. In my thoughts today are the thousands of people around the country who are mourning a loved one and who perhaps did not get the opportunity to say goodbye to them in the way that we would normally do and in the way that is customary, something that has been very painful for people.

It is very important, as the Minister said, that we continue to remind everybody that this crisis is not over. One of the biggest risks this country faces at present is complacency that we are over the worst of Covid-19. We know it has not gone away and we know there is a risk of further new cases and, unfortunately, further deaths. The soundings that have been coming from people such as Professor Holohan and many others in recent days need to be amplified. This is why I was glad to hear the Minister's comments today. It is very important that we continue to remind people they need to be careful and look after themselves and others in the time ahead. I commend "RTÉ Investigates" for the programme aired last night. It was timely given that we moved to phase 3 of the roadmap yesterday. The programme showed people just how serious this is and how important it is that we continue to be vigilant and look after ourselves and each other.

I hope the Minister's tenure in the Department will be successful and I wish him and all the people working in the health service the very best in the continued fight against Covid-19.

Deputy Bernard J. Durkan: I am glad to have an opportunity to contribute on this very important issue. I congratulate the Minister on his appointment and wish him well. We were colleagues on the health committee in the past and I assure him that I will be constructive, innovative and progressive as required. There is no doubt that the challenges ahead are numerous and no more difficult than the challenges of recent years. The Department has received a great deal of criticism in recent years. It was alleged that it did not have the ability, personnel or commitment to deal with the crisis or the commitment of the Government. The list goes on. The fact remains, and it is blatantly obvious now, that the Department, the HSE in general and every member of the health services on the front line, middle lines and back line committed themselves, in the past six months in particular, to dealing with the crisis and they did it extremely well. We owe them a huge debt of gratitude for the work they did and undertook. They succeeded not in bringing the virus to a halt but certainly in containing it and I hope that will continue.

I hope the Minister will be able to continue the work of his predecessor. I acknowledge the role played by his predecessor, who was in a very difficult situation at a sad time for the country, the services and everybody. He continued stoically to deliver and stayed with the system, keeping in mind the central role that had to be played and he did so successfully.

In the past, I have strongly supported the democracy of the health services, in the sense that much can be learned from those at the coalface and those at ground level throughout the regions and in every aspect of the delivery of the services. They are the people who know first hand what is required. They know it earlier than most others. The important thing, particularly with regard to Sláintecare, is that as it develops barbs may well appear from time to time to hold up the system and slow down the smoothness of the evolution of the health service that is now envisaged. This will need to be monitored and the Minister knows this better than most. There will arise occasions that perhaps were not anticipated and they will need particular treatment and this is important. I know he has the nature to deal with this type of situation as it arises.

Another aspect of the system we need to look at now is the degree to which community care is developed in future, including home care for patients who have the option of being cared for at home. As I have said previously, this costs money. It is not free and it requires good organisation. We also have the ongoing demands with regard to children with special needs. We need to try to ensure the health services extend to those children everything that is possible as and when required.

We also need to look at the medical card system and how it operates. Something that is quite annoying is when, for example, a person making an application might not be familiar with the bureaucratic system and may not supply all of the information required. It is particularly irritating that such people are informed the file is closed and that a new application must be made. It may well be that many of these people are in poor health or are in fear of their emerging health situation. They may have many demanding issues on their minds at the time and cognisance needs to be taken of the fact that they need to be listened to carefully and accommodated in so far as possible in every which way.

I wish the Minister well and I hope that he can rise to the occasion and deal with the long list of issues ahead of him. We will help him in every way possible. He might not think it is helpful at the time but we will do our best.

Deputy Frankie Feighan: I wish the Minister every success in the coming months and years. He will have my full support in everything he does because the health service is so important to us. We have seen during the Covid crisis just how important it has been. I pay tribute to the front-line staff who have delivered huge resources and have worked extremely hard. My sympathies go out to the families of the more than 1,700 people who have passed away.

I am from the constituency comprising Sligo, Leitrim, north Roscommon and south Donegal. Nine years ago, we had an issue in Roscommon University Hospital with the downgrading of the emergency department. It generated a lot of media coverage locally, nationally and probably internationally. I invite the Minister to Roscommon University Hospital to see what a great hospital it is now. It is a state-of-the-art hospital. It is a shining light of the small hospitals throughout the country. Management, the HSE, the Department of Health and staff are working together. It is a safe hospital. It is twice as busy and, with the air ambulance and advanced paramedics, it has saved hundreds of lives. I invite the Minister to see the great news that has happened in the past nine years. The endoscopy unit is up and running and the Mayo

and Roscommon hospice is being built beside it. I want the rehabilitation unit for the west of Ireland, which will be a step down facility from the facility in Dún Laoghaire, progressed as quickly as possible. The Minister is very welcome to come and see the hospital. The only problem with it now is that it is so busy there is no car parking. Perhaps some could be built.

There is another issue in Sligo University Hospital. One year ago, we had the national cardiac review and we are expecting an update. When is it coming? We need to see the new cardiac cath lab in the north-west placed in the hospital. I would also like updates on the issue of the north west hospice and the new medical block at Sligo University Hospital. When the Minister comes to the north west, after the Covid crisis is over, I want him to visit the hospital and meet the management and staff. It is vital that he does a tour of these two hospitals.

Last week, I raised with the former Minister, Deputy Harris, the issue of adopting a common sense approach to allow churches to reopen. They have worked extremely hard and brought out advice and proposed new measures. I understand there will be meetings with the Minister and church leaders in the coming days, although some may have already taken place. I would like an update on this. We need a common sense approach to the bigger churches in the larger towns that can accommodate 1,500 to 2,000 people. They are prepared to work with the Minister. They understand the implications of the Covid health crisis. We need a common sense approach.

An Ceann Comhairle: Does the Minister want to respond to any of those questions? There is a little over a minute remaining. The Minister might correspond with the Deputies on some of those matters.

Deputy Stephen Donnelly: I can do so. The main questions in that section were raised by Deputy Feighan and I acknowledge the offers of support from the various Deputies. We are in this together, we need to fix it together and I look forward to working with everybody on it. As we have Deputies living all over the country, that local intelligence will be important, be it on local primary care centres, hospitals, cardiac units or ambulance services. Having that information feeding into the Government from all over the country is an essential part of one of the many roles the Oireachtas can play in making sure every part of the country is heard.

I acknowledge the invite to the hospitals from Deputy Feighan and will take him up on that. I will get the Deputy a detailed briefing on the hospitals in the north west and provide him with an answer on when the national cardiac review will be published. If the Deputy would like to meet me and the officials, or both, for more detail afterwards, we will set that up quickly.

Deputy Ossian Smyth: I would like to sincerely welcome Deputy Stephen Donnelly to his new role as Minister for Health. In opposition, he was both insightful and constructive. I hope and expect that the Minister will bring that insight and expertise to the continuing reform of our health services. I would also like to take this opportunity to thank the previous Minister for Health, Deputy Harris, for his service. The real character of a man is sometimes revealed when he is under stress and the stress was unique during the pandemic.

We are here today to assess the additional budgetary requirements for the health service for the remainder of 2020. We recognise that apart from the pandemic, there continues to be underlying pressure on health service costs arising from inflation in a variety of areas, including the areas of drugs, salaries, high-tech diagnostics and treatment options. We are clearly examining a large incremental budget from the health service today. We recognise that the structure of

the budget and the way it is reported make it difficult to scrutinise this ask in great detail. Paul Reid has said on the record on multiple occasions that he expects to be in front of subcommittees in this House explaining and defending the additional HSE funding and we look forward to having an opportunity to investigate that further. Can the Minister confirm that it continues to be our intention to engage with the HSE on the detail of the incremental Covid-19 spending, while recognising the reality that much of the expenditure was battlefield spending with decisions rightly made at great speed and sometimes without the level of scrutiny we would have applied in normal times?

Clearly, the additional expenditure on PPE will represent a major line item for the HSE for the foreseeable future. It is right and appropriate that we seek to protect our front-line healthcare personnel. We have all stood at our front doors and clapped for our front-line workers but sufficient investment in PPE is the first and most practicable way we can demonstrate that support. What is the Minister's view on the likely long-term trajectory and strategy on PPE? Does he expect it to be a permanently substantial budget line item? Assuming he expects it to be permanent, does he have a view on how we should optimise the long-term supply chain for such PPE? Specifically, should we negotiate longer-term arrangements or options for international supply or should we seek to build national capacity, a national stockpile of PPE, or both? We do this with our oil reserves so should we do the same thing with PPE? We all watched with bated breath as aeroplanes took off from China carrying emergency supplies that we did not have time to check through and not all of it suited. It is important to have a long-term strategy about how our PPE supplies should be kept in reserve and delivered and to examine the question of whether they should be manufactured in Ireland.

Another major item in the budget reflects the costs that were incurred in securing private hospital capacity as an insurance policy against a large surge in acute hospital or ICU capacity during the pandemic. I note the Green Party's support in government for this initiative, as we voiced our support when we were in opposition. The open book accounting arrangement was a reasonable way to conduct the transactions at short notice. It should be no surprise to anyone who has read these budgets that the costs of owning and running a major acute hospital are substantial. Having this kind of surge capacity access going into the future will be a major asset in our strategic pandemic planning. What is the Minister's view on whether and how we should continue to hold an option over exercising a similar, fair and fairly compensated takeover of private hospital capacity during any future pandemic?

The original 2020 operating metrics, targets and service level agreements have not been updated in this Estimate to reflect the impact of the pandemic, which is completely understandable. The Parliamentary Budget Office considers the failure to estimate the impact of the pandemic on existing metrics, context and impact indicators to be a matter of serious concern. I can understand this sentiment but not in the short term. That normal business, including most medical business, was suspended for four months clearly means some targets will inevitably be missed by a wide margin. It is not fair or reasonable to expect that the Department of Health and the HSE should have fully updated their metrics by now. There are two reasons for this. First, we are still in a pandemic and it is fair to say that all our healthcare professionals, including administrative staff, continue to be focused on saving lives rather than updating metrics. Second, if they were to attempt a short-term update, the huge uncertainties would render such updates completely meaningless. We do not know how outpatient and inpatient diagnostic rates will be affected as we emerge from the pandemic. Guesswork in the guise of diligence is not helpful. That said, we want to ensure that over time meaningful metrics in the light of the

steady-state post-Covid situation are defined, and that the structure of the health budget and Vote is changed so that it is amenable to meaningful and transparent scrutiny in this House. Will the Minister commit to updating the performance metrics for the different programme areas for the 2020-21 financial year? Will he investigate how we might be able to restructure the reporting of the budget in future so that we can more meaningfully scrutinise it?

Deputy Stephen Donnelly: I thank the Deputy for his contribution and questions and I look forward to working with him. I agree that the structure of the Estimates is difficult to interpret. I have expressed myself on the record for many years on this. We need to find better ways of providing this information to the Oireachtas. One of the most important roles of the Oireachtas is to hold the Government to account on the money it spends on behalf of the Irish people. I struggled for years in opposition with interpreting this information. I commit to working with the officials and the HSE to improve that. The establishment of the Parliamentary Budget Office is useful but a lot more can and should be done. The programme for Government provides that this will be looked at.

The Deputy asked if the Oireachtas will have the opportunity to engage in more detail on the extra spending. It absolutely will. I will make myself available for that and I have no doubt the officials within the Department and the HSE will do so too. If the Oireachtas wants to engage in that through the Dáil or the relevant committees, there will be no issue. As I said earlier, I will be back before the House seeking additional funding. This €2 billion is for measures that have been taken to date to deal with Covid-19 and a lot more will have to be done.

The Deputy spoke about long-term spending on personal protective equipment. He asked whether we need to build a national stockpile or increase domestic production. At this point I would say that all options need to be examined. If there is a second wave or a different public health outbreak in the future, we do not want to be scrambling to get planes in from China. Given where the health system was, the HSE deserves enormous credit for what it did and how quickly it responded but we do not want it to be in that situation again. All options have to be on the table in that respect.

A question was asked about private hospital capacity and if we continue to hold an option on using such hospitals during the pandemic. The private hospital contract ends today. It was understandable why it came in, although issues with it were raised by me and by others in the House during the contract negotiations.

The reduction in capacity in the public system caused by Covid-19 is immense. We may need to leave 20% of beds vacant. People involved in scopes say capacity could be down by 50%. I heard one figure of 80%. Surgeons say that in some cases they can do half the number of surgeries. GPs can see fewer people. Our public health system therefore faces an unprecedented crisis triggered by having to respond to Covid. I think a challenge at the same scale is having now to provide non-Covid care in a Covid world. Again, I think we will have to look at an awful lot of options. The goal is not to have dependency on private providers; the goal is universal healthcare provided through the public system. In the short term, however, the public system has just lost a vast amount of capacity. Our obligation is to make sure people can get access to healthcare. The medium-term goal, not even the long-term goal, is that we transition as quickly as we can to full capacity within the public system.

5 o'clock

Deputy Alan Kelly: I congratulate the Minister. It is pretty rare that a spokesperson moves

straight into being a Minister, particularly one taking over from his neighbour, so there is an additional dimension there. I wish him the best. We in the Labour Party will support him during the pandemic and when we agree with him. When we disagree with him we will oppose him. I very much welcome the fact that he will do questions and answers. That is a good change. I also welcome the precedent he has set here with various Deputies, starting with Deputy Murnane O'Connor, of offering briefings from officials on specific issues. I presume this offer applies to each and every one of us. I have a number of observations and questions. The Minister might answer the questions in whatever time he has.

What we are doing today we are doing a bit blind because, due to the way in which the Estimates are put forward, there is no linear capability or way for us to see where money will be spent. That is partly understandable but obviously not acceptable, and the Minister would be the first to say so if he were standing here, so that cannot happen again. He said when he was in opposition - and he will hear that quite a lot over the next few months and years - that he would set up an office for budgetary management. He also said he would hire quite a number of forensic accountants across the Department. I presume both of these things are happening. He might verify firstly that he will do these things because he was very strong on them, to be fair to him.

We need a plan for reopening the health service. The HSE has published a kind of strategic framework for delivery, but it has not published a full clinical roadmap. When will we get that? We have been waiting a seriously long time for it. The Minister said on 11 June that screening was not being restored quickly enough, so I presume he has now put in place plans to accelerate screening. Will he give us some details on changed dates or quicker dates? Given my track record, I am certainly not happy with where screening is at the moment and how it will be rolled out.

Today's motion will add €2 billion to the budget. We will support that but we also need to see, first, what the percentage is of services that are not being utilised and, second, what budgetary saving there has been. We know there are mental health services, disability services, community services, etc. We cannot see what percentage of the budget has not been used on all of these and where it has not been used. Could we have a breakdown on that?

Could we have statistics on what private hospitals provided during their period under State control - the numbers of procedures, the costs, etc., by location? Post Covid, what will the Minister change in regard to information provision from private hospitals into the national statistics? When he was in opposition the Minister complained quite rigidly about the lack of conformity in that regard.

I totally disagree with the Minister on the NTPF. What is his plan for its use? Does he envisage that during his tenure as Minister over the coming years, we will not use the NTPF? How does he believe we will use the NTPF over the next year in particular?

We all know there is a huge issue with bed capacity. The Minister felt 2,600 beds needed to be put into our public health system. Obviously, he has not even been in the job a week, but will he provide an initial analysis of how he will make that provision and over what timelines?

Will the Minister undertake to conduct a cost-benefit analysis on nationalising existing private hospitals versus new build? We need to do new build as well, but would it not make more sense to nationalise one of the larger private hospitals in order to create public capacity? Has a cost-benefit analysis been done on that? We are spending 20% more than the EU average

on healthcare, but our public healthcare system is still underfunded. This is clearly down to duplication between public and private healthcare, and this is a huge inefficiency. The Minister comes from a management consultancy background. We all supposedly agree on a one-tier health system and Sláintecare. How does he intend to address that?

What are his plans and what outcomes will he deliver in his first 100 days as Minister?

What is the Minister's position on the de Buitléir report? The previous Minister, Deputy Harris, who is Deputy Stephen Donnelly's predecessor and neighbour, on numerous occasions asked him this question. Many of my colleagues and I were very clear in our support of the report. What is Deputy Stephen Donnelly's position now as Minister?

We are very dependent on overseas medical staff, as the Minister knows. I think 3,000 non-Irish staff, who do fantastic work, registered in 2017 alone. We will have challenges in this area. What plans does the Minister have in this regard? While I am at it, I compliment the makers of last night's fantastic documentary. It was amazing. The Minister has committed to providing 5,000 more doctors and nurses in the public health system. Where will he source them? Will he undertake to bring a report to the House on the labour force implications of Covid-19 along with a plan for the future staffing of the health service? This could be done in conjunction with his predecessor, who in his new role would be able to help him with that. The Minister has made very public commitments on ending the different pay grades of consultants. He very publicly said when in opposition that he would do this immediately if he became Minister. When in 2020 will this difference end?

What is the latest status of the children's hospital and the finances surrounding it? I do not expect the Minister to have the figures off the top of his head but I would like to know. Has anything in the service delivery plan been affected from a capital point of view because of Covid? I have already asked the Minister's Department about this and it could not provide answers, so perhaps he could.

Will the Minister consider rolling out a full flu vaccine for everybody? I believe, and my party has put this forward numerous times, that this would be the most appropriate thing to do over the coming years.

The Minister said quite publicly that he would find €20 million extra for disability services. When will that be put in place? Disability services are completely and utterly underfunded. We have a situation in Carrick-on-Suir in relation to St. Brigid's District Hospital, which is an amazing place that provides respite and palliative care services. It was taken over as a step-down facility for Covid services. This is an example of another service that was taken over but is at this moment no longer used or needed for Covid care. When will it be released to do the work it did fantastically beforehand? I would like a specific answer on that service and similar services across the country.

Deputy Stephen Donnelly: I thank Deputy Kelly for his offer of support. We worked together well on the health committee and I hope we will continue to do so. I wrote down many questions but I missed some because I was still writing. I will get the Deputy detailed responses in writing and I am happy to meet him to discuss them.

I agree with the Deputy on the presentation of financial data and we have covered it. It needs to be done well. In defence of the officials, they have been trying to put this together in a time of extraordinary volatility and that is why the performance measures have not been changed.

They should be commended on putting it together given the volatility, but I think we all agree that we want data presented in a way that is easier to absorb and easier to hold to account.

On the office of budgetary management, or whatever we call it, it is in the programme for Government that we need investment in financial resources within the Department. It is very important. I agree on the question of forensic accountants. I am going from the top but I am happy to get the Deputy notes on the rest of his questions.

Deputy Róisín Shortall: I congratulate the Minister, Deputy Donnelly, and wish him well in his work. As the Ceann Comhairle said earlier, we all need him to do well. I am sure there will be a high level of co-operation as there was in the production of the Sláintecare plan. If we are on track and if we are serious about accelerating Sláintecare, he will have support across the board in doing that.

The purpose of this session is to look at the Revised Estimate. To a large extent, this is looking at it after the event because much of the money has been spent. I want to reiterate comments made by others on the manner in which the Estimate was produced. It is easy to excuse many things given the Covid crisis but the people responsible for producing the Estimate were not, in the main, involved in Covid. Lessons should have been learned from the criticisms the Parliamentary Budget Office, PBO, made on the presentation of the Estimates. Those messages should have been heard and we should not be in this position yet again. This is not just a criticism of the Department but it means the rest of us in the Dáil cannot do our job properly in terms of scrutinising a huge spend. We cannot establish whether we are getting value for money in the way the money is spent. The extraordinary thing is that with the additional €2 billion allocated, the performance metrics have not changed at all. It is ridiculous that there has been no change in the structure of the Estimates. That has to be taken on board as it will not be tolerated for another year.

I want to ask some questions on where we are at the moment in respect of Covid. There are concerns about the lack of detail provided on expenditure on testing and tracing and on PPE and on the deal done with the private hospitals and with Citywest. The private hospitals deal is looking like costing somewhere between €400 million and €500 million. My understanding is the beds in Citywest are largely empty, and have been for most of the time, at a cost of €25 million. It was absolutely right to prepare for a surge and ensure that we had capacity for that. However, it is important to point out at this point that we had rapid exponential growth in cases of Covid for a six-week period but we reached the peak around 9 April and the numbers have been rapidly reducing since then, thank goodness. We are down to very small numbers at this point. I cannot see why we have not had the roadmap for restoring non-Covid healthcare long ago. This is about the sixth week that the roadmap has been promised. I do not blame the Minister for that, but his predecessor promised week on week that it would be agreed the following week by the HSE board. We still have not seen it and there is a huge amount of capacity there that seems to be unused and that we are all paying for. That does not make any sense. When will that roadmap finally be produced?

My next question relates to foreign travel. We should listen very carefully to what the CMO said. He has been ringing alarm bells, especially over the past week. We must take note of that. We have been told about the green list, land bridges and all of that, and that is right. The data should drive that. If we are to introduce, as I think we have to do, measures to potentially ban flights coming here from some countries or ensure there is legally based supervision of people coming in from badly affected countries, is legislation required for that and is it the intention of

Government to introduce that legislation? Otherwise we are on a hiding to nothing in terms of the risks that are being run.

The Minister often talks about data and data should be driving all decision-making around this. There is now quite a body of data built up and we have many people involved in that. The problem is that most of it has been kept secret. I spent five or six weeks chasing the Department of Health to get data on the prevalence figures. It had it but it just did not produce it. There is no reason all the data associated with Covid should not be open source. Will the Minister give a commitment to ensure that happens so he brings the public with him and there is a clear rationale for decisions that are being taken?

My next question relates to strategy. What is the strategy on the containment or the elimination of Covid? I heard about an outbreak in a nursing home. We are being told about potential clusters. What happens if many people come in from abroad? What is the strategy in terms of a rapid response to a threat like that? Is there a plan to target people in a specific locality or setting, such as a nursing home? What is the plan for testing and tracing? Is there a strategy to ensure we respond rapidly to any new outbreak or upsurge?

My final question relates to overall healthcare and the health service. We will have other opportunities to talk about the Minister's intentions in relation to Sláintecare. However, I am concerned about the over-concentration of the Minister and his party on the NTPF. Yesterday morning, the Minister said in an interview that he wanted to see strategic partnerships with private healthcare. What exactly does he mean by that? It really concerns me, given what many of us feel arose out of the Sláintecare committee and also what the Irish Medical Organisation, IMO, is saying. If money is put into the NTPF, it is being taken directly out of the public healthcare system and it is delaying reform.

Deputy Stephen Donnelly: I thank Deputy Shortall for her kind words and look forward to working with her and everybody else. The Deputy said quite fairly that if we are serious about accelerating Sláintecare, then we will work together. To be unambiguous, we are deadly serious about and committed to Sláintecare. It is the pathway to universal healthcare, the introduction of which is ultimately our mission. We are not only committed to it but we want to accelerate it. We cannot accelerate it all at the same time but we want to go faster where we can. If the Covid crisis has taught us anything, it is that we need to modernise, move to the regional structures and move towards an area-based deployment of assets in healthcare as quickly as possible. I give the Deputy that commitment unambiguously.

I agree with the Deputy's point regarding the presentation of the financial data. That the performance metrics have not changed is, I think, because people have been so focused on responding to Covid. We all know that the target number of procedures for the given amount of money will be difficult to meet in an awful lot of cases. Many of the performance measures will, unfortunately, have to come down. One of the challenges we have is that a lot of the cost is still incurred, which means there is a lot of fixed cost versus variable cost. We hope there will be an acceleration that will mean the procedures which were missed earlier can happen. The other thing that happened is that many healthcare professionals who were working in paused care moved to do other things. For example, dentists were-----

Deputy Róisín Shortall: Given the time constraints, will the Minister move on to answering my other questions?

Deputy Stephen Donnelly: Yes, absolutely. The Deputy's question about the roadmap for the resumption of services is one that I have also asked. My understanding is that it will not be ready next week and may take several more weeks. It is something I will be looking into with urgency. I will get back to the Deputy when I know more.

On the question of whether legislation is required in respect of foreign travel, my understanding is that there is an ongoing debate on exactly that question.

The Deputy asked whether we can make Covid-related data open source. My preference is that transparency is generally good. We need to ensure privacy where there are issues about protecting individuals but my preference would always be that transparency should be the default unless there are things that need to be closed down.

The testing and tracing plan needs to be looked at. NPHE said that for the rest of this calendar year, we need to be able to do 100,000 tests per week. My understanding is that significantly fewer than that are happening at the moment. There are some good things happening. For example, the second wave of testing is taking place in nursing homes - the Chief Medical Officer has been talking about this - and is beginning to identify cases of asymptomatic staff and multisymptomatic staff.

Deputy Róisín Shortall: Will the system be in a position to respond to a second surge or wave of infections?

Deputy Stephen Donnelly: I was asking the same question last week and I will get back to the Deputy on it. It is something that needs to be looked at in a lot more detail.

Deputy Gino Kenny: I will get the niceties out of the way first by wishing the Minister well in his role. I expressed the same wish to his predecessor, Deputy Harris, four years ago. Once that is done, we can go ahead with not being nice to each other.

I want to raise a number of issues, the first of which is the effect of Covid-19 on the nursing homes sector. I welcome the additional provision in the Revised Estimates to deal with the crisis. However, the level of death in nursing homes during the Covid pandemic is a national scandal. There is a lot of speculation as to why it happened. That question probably cannot be answered here and will have to be dealt with in a different venue. The relatives of those who passed away will want to know why their loved ones passed away in such a manner.

Over the past 20 years, we have, in effect, privatised care of the elderly. The statistic that stands out is that 20 years ago, 80% of nursing homes were public and 20% were private. Today, the opposite is the case. I am not being ideological in raising this issue. Many studies have shown that where there is privatisation of healthcare - we have seen it during the Covid crisis - the outcomes are much poorer than is the case when there is public provision of healthcare services. That has to be taken on board. The Minister's predecessor said that we need a new process and a change of direction in dealing with the question of private versus public provision. I draw the Minister's attention to St. Mary's nursing home, also called the Telford Centre, which is located off the Merrion Road, not too far from here, and is due to close down at the end of the year. This facility has been completely free of Covid infection and the staff are devastated that it is to be closed down. Will the Minister examine how this nursing home might be brought into public ownership? We need to give the residents and staff hope that it will remain open into the future.

My last question concerns an issue I have raised *ad nauseam* in the House and still has not been resolved in any way, namely, the lack of progress around the medical cannabis access programme. One year ago to the day, the previous Minister, Deputy Harris, introduced legislation which, for the first time in Irish medical history, legalised medicinal cannabis and allowed doctors to legally prescribe it under a new access programme. However, as of now, not one person has been prescribed medical cannabis products under the scheme. There is not a week that goes by when I do not have parents ringing me to ask for help on this issue. Sometimes I do not know what to say to them other than to acknowledge that the matter was legislated for last year. There are extremely vulnerable children who need access to these products to give them a chance. I hope the Minister can give some notice of progress on this issue.

Deputy Stephen Donnelly: I thank Deputy Kenny for his comments. I am sure we will agree on many things because we are all committed to universal healthcare. That is the goal. We all want to stabilise the system, get through Covid, deal with the reduction in capacity and make sure people can get healthcare when they need it. I am sure we will disagree on plenty of the details but I think we probably agree on the mission.

I do not have details regarding the specific nursing home to which the Deputy has referred. If he wants to talk to me or write to me about it, I certainly can ask somebody to take a look at it. I agree with the Deputy that the nursing home sector needs a serious review. One of the things we are committing to in the programme for Government is a very broad strategy looking at elderly living in this country and acknowledging that things need to be done in the nursing home sector and other areas.

With regard to medicinal cannabis, I recognise the work the Deputy has done in this area. He has been working on the issue for many years and has been one of the most progressive and strongest voices in the Dáil in this regard. I have supported much of what he has brought forward. Like the Deputy, I have spoken to parents all over the country who are saying that this product seems like a very good thing for their children. I was very glad to see the legislation that introduced the access scheme and I will undertake to get a briefing done for the Deputy that sets out where we are at and what the various blockages are, so that we can move the programme out as it was intended.

Deputy Mick Barry: I have a question for the Minister on the issue of mental health services. Before I deal with that, I want to make a couple of points about the deal between the State and the Private Hospitals Association. There have been various criticisms of that deal, some of which are valid and others not. One criticism is that it was bad value for money because there was only a 36% bed occupancy rate during the crisis. I do not think it would have been possible to foresee in advance that the occupancy rate would be at that level. The State had to err on the side of caution by booking a large number of hospitals and a large number of beds. As such, this particular criticism is not a valid one. However, what is a valid criticism is the question of value for money around the expense of hiring beds compared with the cost of doing so in other jurisdictions. In the UK, where there is a Tory Government, the deal between the state and the private hospitals worked out at €10,332 per bed. In this State, the cost worked out at €44,213 per bed. That is four times the rate that was paid in the UK. The beneficiaries of this were largely people who were not exactly in need of huge extra funding, such as Larry Goodman, owner of the Blackrock and Hermitage clinics; Denis O'Brien of the Beacon Hospital; the University of Pittsburgh Medical Centre, UPMC; the Bon Secours order, and so on. I have said it before and I will say it again: the deal should be published in full. We did not get that commitment from the previous Minister. What is the current Minister's position on it?

On the question of mental health, it is generally accepted that demand for mental health services will increase in the wake of lockdown. The only question is to what extent. Some 6% of the spend in our health service goes on mental health, which is half or less than half of the equivalent spend in other European states. We have relied heavily on charities whose fundraising sources have been hit very hard over the course of the lockdown. Doubling the spend on mental health services is a modest demand and it should be done within the framework of an Irish national health service. Sharing the Vision makes 100 recommendations for changes in mental health service but contains no costings. When will the costings be published?

The point is often made in this Chamber, or in the other Chamber across the way, that there was unanimous cross-party support for Sláintecare. That is not correct. I was a member of the Sláintecare committee for a year. I listened to all the evidence and supported many of the reforms in the report but did not vote for it because it fell short of what all the evidence indicated was needed, which is an Irish national health service involving the nationalisation of the private hospital sector in this State. The parties involved pulled back from making such a bold recommendation. The Covid crisis meant that healthcare was provided not on the basis of the size of one's wallet but on the basis of one's health needs. That should be the case for cancer services, heart disease, depression, and all other illnesses. Unfortunately, Professor John Crown was correct when he said in the *Sunday Business Post* on 21 June that the new programme for Government plans to copper-fasten the two-tier health service and instead of taking a step forward towards an Irish national health service, it is actually a step back. That is my observation. My questions relate to the mental health services and the publication of the deal with the private hospitals.

Acting Chairman (Deputy Bernard J. Durkan): Unfortunately, the Minister will have to communicate his answers to the Deputy because the time is expired. I call Deputy Lowry.

Deputy Michael Lowry: I congratulate the Minister on his elevation to high office. As Opposition spokesman, he showed a command and a deep understanding of the health brief. He has the ability to be a reforming and performing Minister for Health. In his political transfer, he showed political shrewdness and awareness and I am glad his courage and political agility has been rewarded with ministerial office. I look forward to supporting his best endeavours in his Department.

The country was riveted to the television last night as “RTÉ Investigates” took us inside the intensive care unit at St. James’s Hospital at the height of the Covid-19 crisis. The scenes were heartbreaking. We saw the suffering of patients, the anguish of relatives unable to visit or be with loved ones in their final hours and the sheer loneliness at the graveside of a patient who sadly passed away. It was a difficult programme to watch. It was human pain at its most raw and people at their most vulnerable. Seldom has a programme given such an insight into what love and dedication truly means. The staff in this busy unit in St. James’s went way beyond the call of duty in caring for their patients and the stress this call of duty caused them was etched on their faces. They gave haunting accounts of putting people they had cared for into double body bags and hearing the sounds of the zips being closed. They recounted calling families with the last news they ever wanted to hear and described the effort of going to work knowing that the events of the previous day could recur. The scenes we saw from St. James’s Hospital last night were replicated in hospitals throughout the country. Although many patients died without their families at their bedsides, they did not leave this world without love and care in their final moments.

Throughout this Covid-19 crisis, Irish hospitals have provided exemplary care to the patients struck by the virus and our response to this epic health crisis is the envy of other countries. We have set a high standard and continue to do so. Ireland can be justifiably proud of the performance of our health service in handling the virus since it swept across our country. I pay heartfelt tribute to our doctors, nurses and all the front-line staff for everything they have done. However, just a few short months ago, before we ever heard of Covid-19, every Member of this House was getting complaint after complaint about the health service. There were issues with trolleys, waiting lists, cancer procedures, long delays in getting test results and early discharges from hospitals. The health service was one of the top two major concerns in the run-up to the general election. Could this be the same health service that rose above and beyond all expectations during the pandemic? What lessons can we learn from our handling of the crisis that we can apply to the health service as we move forward? As we enter a new era in politics, with the lessons learned from the pandemic and knowing where the cracks are in the system, it is now over to the Minister. The direction he is going to lead us in is at his discretion. What is the roadmap? What is the strategy and what is the main objective and timeframe for delivery of that strategy?

While the proper and adequate funding of our health service is vital, I do not share the view of many that lack of funding is the sole reason it is rated so badly. We have a serious problem with the management of facilities and personnel in our healthcare system. We are also not utilising our acute hospitals to their maximum potential. We have made major investments in world-class theatres and diagnostic and laboratory units around the country and it does not make sense for those facilities to be closed or curtailed at weekends. Our first-class delivery care units should function on a 24-7 basis, thereby increasing the throughput and reducing the waiting lists.

The successful handling of the Covid-19 crisis in our health system required substantial money. Additional staff were brought on board quickly. It took money to do that, but it also took expert management of the situation. The driving force behind our excellent handling of the crisis was the way we managed it. The speed and urgency of the required response to the crisis demanded that it be managed with almost military precision. Even before the first case occurred, our hospitals were ready and intensive care beds, critical care beds and step-down beds were made available at rapid pace. Testing centres were also quickly established. The one major glitch in the system was the failure of the HSE to support the nursing home sector in a timely fashion, and we were also slow to roll out testing and contact tracing. That needs continuous upgrading as it is the principal strategy for coping with a virus that is going to remain with us.

If we are to take any lesson from our handling of the Covid-19 crisis, it has to be that strong management is the key to both implementing efficiency and maintaining high standards. The health service we aspire to provide to our people through the introduction of Sláintecare will not be delivered to its full potential unless it is run like a high precision machine or a top performing business. The overall management of the health service must be the very first thing that is examined, and examined rigorously. Areas that are fragmented and sections that are top-heavy with administration or where there is duplicity of tasks should be eliminated. When direction from the top is strong and provided by a single expert group of advisers, the rest will flow with much greater ease. It has never been more clear that a strong management core will be the key to the success of Sláintecare. Indeed, without it the best of plans can rapidly spiral out of control. Our health service can be greatly improved. However, with all we have learned over the

past number of months and all we have proven ourselves to be capable of, we know now with certainty that we can get it right if we do it right. Covid-19 has changed our lives irrevocably in many negative ways, but it has also shown us the path that could change our health service for the better for every man, woman and child in the country. We must build on the lessons we have learned.

I also wish to raise the non-payment of subsistence for theatre nurses who were deployed from Nenagh and Ennis to University Hospital Limerick. This is more a matter of principle than of money. Some 16 theatre nurses answered the emergency call for deployment from Nenagh to Limerick to assist in the fight against Covid-19. They did so, without hesitation, for the public good. Their work schedule expanded to working 12-hour days, weekends and night duty, where previously they had worked eight hours a day, Monday to Friday. The redeployment involved longer travel and an earlier starting time. Many of these nurses left home at 5 a.m. and did not return until 10 p.m. This involved a major change to their daily routine, massive inconvenience, additional childcare expenses and the onset of undue stress and anxiety. It is astounding to learn that these nurses were refused a subsistence allowance. This refusal is mean-spirited and harsh. While nurses welcome the public clapping of approval, it should not be too much to expect the HSE to give practical recognition to their heroic efforts. I ask the Minister to seek clarification of why these nurses were refused a meal subsistence allowance.

Finally, Our Lady's Hospital in Cashel is a long-standing saga in the underutilisation of accommodation. It is shameful to see so much high-standard accommodation not availed of and not in use. The Minister's predecessor, Deputy Harris, visited the hospital two years ago. He was surprised and disappointed that the facility was not put into service. He undertook to instruct the HSE to examine the obvious potential for step-down beds. Recently, as a consequence of the coronavirus, patients from St. Patrick's Hospital in Cashel were relocated down the road to Our Lady's Hospital. This was understandable on health and safety grounds. It was the first tangible acknowledgement by the HSE that Our Lady's Hospital was suitable to accept patients. I hope this temporary arrangement does not become permanent. St. Patrick's Hospital in Cashel is included in the capital programme for a new 50-bed unit. I hope this new unit continues to advance and I urge the Minister to ensure a long-term plan is put in place by the HSE to provide step-down and convalescent beds in Our Lady's Hospital in Cashel for use by the local community of Cashel and the district.

I have not given the Minister time to respond so I ask him to communicate with me in writing.

Acting Chairman (Deputy Bernard J. Durkan): The Minister will do his best to correspond, as usual. I call Deputy Mattie McGrath.

Deputy Mattie McGrath: I am sharing time with Deputy Michael Healy-Rae. Ar an gcéad dul síos, I pay tribute to all the front-line staff and the workers in all areas who did Trojan work. I sympathise with each and every family that lost loved ones. I thank RTÉ for the "RTÉ Investigates" programme last night. It was just shocking. What happened in nursing homes was unforgivable.

I wish the Minister well in his office. We are asked today to increase his budget from €18.3 billion to €20.3 billion with very little explanation or breakdown of the costs. We are going to do it with goodwill, but it is an enormous amount of money. We need to see value for money. Many questions must be asked. As I said previously, things had to be done. I supported the

takeover of the private hospitals, but when I saw it costing €115 million per month I was shocked. When I saw that being extended to keep them for June, when there was clearly no need for them, it was just incomprehensible. The cost of Citywest Hotel at €12,000 per bed is four times what the cost is in England. It is costing €21 million in total. It is unbelievable money.

On mental health, I received a reply to a parliamentary question today after months of trying to get information about the costs. St. Michael's in Clonmel, a short-stay mental health facility, was closed down under the so-called A Vision for Change. Despite numerous meetings, suicides and mental health issues, we have failed to get a single bed in south Tipperary. The HSE has accepted there is a deficit of 25. Now we find that €700,000 has been spent on St. Michael's to get it ready for Covid-19, with bathrooms en suite. I salute the building contractors, O'Gorman Construction (Ardfinnan) Limited, and all the builders who worked on it. They did Trojan work. I am not criticising them but I am criticising the fact that we could not get the facility open for mental health beds. I want it to be kept open when this is finished to provide mental health beds. We need mental health services. The Covid-19 crisis has made the need enormous.

On top of that there is the cervical smear programme, BreastCheck and the men's prostate screening. The backlogs are going to be astonishing. We seem to have money. The €2 billion today is just unbelievable.

On daily mass and NPHE, the previous Minister, Deputy Harris, told me in the Dáil last week that he agreed with me that one size does not fit all with regard to churches. Fifty in every church is ridiculous. He said he would bring it up with the Cabinet. It was brought up in the Cabinet, there was a meeting and I understand today that the Minister, Deputy Harris, informed other Deputies that it had been changed to 100, which is a welcome step. However, a telephone call was made from the Taoiseach's office - not the Taoiseach - to the archbishop in Dublin last Friday night to say it was changed back again. Who is pulling strings here or what reasons have they for trying to deny the people? Never did people need spiritual nourishment more than they need it now. We should allow the people to go to prayer. Since I was privileged to be elected to the Dáil 13 years ago I have been listening day in and day out to the naysayers on separating church and State, yet now we want to control the church. Are we going to be communist Russia? That is what I see.

I cannot stand here on this tragic evening with such tragic loss of life due to Covid-19, which we are all so concerned about, without reading out a figure that I received today from the Department of Health. There were 6,666 babies aborted in 2019. My God, we have Covid-19 and with this slaughter in 2019 is it any wonder? Where is the money coming from that? It is to become an industry. It is a shocking indictment of our country. We were told it would be safe, legal and rare. How rare is 6,666? It is an appalling vista in our system. Then we have crocodile tears about people injured and dying due to Covid-19. Let us compare the figures. One death anywhere is one too many. I support life from the cradle to the grave, from the womb to the tomb, and I am shocked by what has happened. It beggars belief.

I have gone over time so I will let Deputy Michael Healy-Rae make his contribution.

Deputy Michael Healy-Rae: First, I personally wish the new Minister for Health every good luck. As I said in my first address on his nomination, he made a massive transformation. He certainly played his political cards in a very special way and I compliment him very much. I

hope he will be able to represent not just his constituency but the people of the country, who are looking forward to better healthcare, in a special and hard-working way. My office is near his old office and I know he was extremely focused and hard working. When one is near another person's office one gets to know the person's *modus operandi* and his was second to none in my humble opinion. I wish him well.

I will again remind him of an awful special case, as it would be neglectful of me not to do so. People always say one should not pick particular cases but our job is to represent everybody. I remind the Minister again today of a young boy who has a 90° curve in his spine. He is Ronan Foley from Dungeel in Killorglin. I ask the Minister to take that case under his wing and ensure he gets urgent care. He has been waiting for 20 months and has been in agony for every hour. He should not be enduring agony.

With regard to Covid-19 and the people we have lost, every one of us has known personally people who have died during this crisis and their families. We sympathise with them. I have heard the previous Minister for Health and others praising our nurses and healthcare workers. What drives me mad is to see ads being put up praising them. I say we should stop praising them and pay them. Pay the nurses the money. There is money owed to our nurses, so pay them. There are people working on the catering side of our hospitals who have not received an increase in 13 years - that is, 13 years ago they were getting a wage and they are getting the same wage today. That is not right and it should not be the case. Stop the praise and start the pay.

We have people waiting to have operations who are in pain. There has been a doubling of the number of people on inpatient and day care waiting lists for operations in University Hospital Kerry. I want to thank the Bon Secours Hospital in Tralee and Kerry University Hospital for working in tandem during this crisis. The model will be of great interest to the Minister. The model in Kerry is unique in that we have a private hospital and a public hospital within sight of each other in the town of Tralee. I brought one of the hospital managers to meet with the previous Minister for Health and very good suggestions were made as to how the hospitals could work better together. Very unusually, it came to pass during the crisis, when the State took over the hospital and they worked very well together. I am sure there are lessons we could learn from that to improve the healthcare we are able to offer the people of Kerry.

The figures I gave the Minister with regard to the doubling of the number of patients show there are 12,000 people on inpatient and outpatient waiting lists in University Hospital Kerry. Those 12,000 people are not living in comfort and they are not living pain-free. Many of those people who are waiting to have operations are in pain. One of the worst things any society can do is leave citizens in pain, whether they are waiting for knee operations, hip operations or to have cataracts removed from their eyes.

I have been very glad over a number of years to facilitate the passage of people from here to the North for operations, which should not have to happen. This has now expanded, not just for cataracts but for hip and knee operations and other procedures. We should not have to do that. Older people should not have to get on a bus. We try to make it as pleasant an experience as we can, but it should not have to be that way. If people need an operation to have cataracts removed, my goodness, it is a simple procedure and it should be happening here in a timely way. The number waiting for operations in Kerry has increased by 1,041 persons. I do not want that to continue.

With regard to mental health, I know the Minister will take particular care of this part of his brief. There are young people who fall between the cracks in our healthcare system because of their age. When they are going from teenage years to young adulthood, they fall between the stools and the services that should be there for them when they need them are not there. I deal with parents who have children and young adults with difficulties, including mental health difficulties. It is an awful thing to witness and an awful thing for the young people, and it can lead to addiction problems and other personal difficulties. As politicians, we should be doing anything and everything to take care of people with mental health problems, whether they are younger, middle-aged or older. Unfortunately, and it is an indictment of the society we live in, these problems are becoming more common.

I look forward to working with the Minister in a workperson-like way, not in a critical way. When I see the Minister for Health doing good, I will be the first person on my feet thanking him and complimenting him and his Department. If I see ways in which he can be encouraged to do things differently, I will be the first on my feet in a positive way, encouraging him to do things differently.

Acting Chairman (Deputy Bernard J. Durkan): I call Deputy Connolly, who is sharing time with Deputies Harkin and Fitzmaurice.

Deputy Catherine Connolly: Guím gach rath ar an Aire agus déanaim comhghairdeas leis ina ról nua. Táim ag tnúth le bheith ag obair as lámh a chéile ó thaobh córas sláinte aonleibhéil a chur chun cinn de.

I congratulate the Minister and look forward to working with him and I welcome his commitment to a one-tier system. However, his commitment is somewhat undermined by the programme for Government, which is committed to the promotion of private medicine and the National Treatment Purchase Fund, which I believe is contradictory and internally inconsistent.

I fully support the revised budget. However, I draw the Minister's attention to the Parliamentary Budget Office document, which he did not refer to in his speech. That might be a good place to start because the Parliamentary Budget Office was set up to advise us all in an independent manner. The one thing I disagree with is that it was said the document was a short read of ten minutes, but it certainly was not as it took longer than that. I draw attention to the fact that for the figure of approximately €2 billion, other than three headings, there is no detail or breakdown whatsoever. Many other concerns were raised in terms of performance metrics and so on. I do not agree with Deputy Ossian Smyth, who said it is not possible. Of course, it is possible. This was flagged ages ago by the Parliamentary Budget Office, not just in regard to Covid. I ask the Minister to look at that and perhaps the next time he is making a speech, he might refer to it and say what he is going to do about it.

I wish to raise a number of issues but I do not expect the Minister to answer them within the five minutes we have left. I want to thank the Minister's predecessor, Deputy Harris, who did his best in terms of answering in the Dáil as honestly as he could, and when he could not, he answered us afterwards. However, I did not get a reply on the issue of service level agreements with the private hospitals. I am on record as saying it was the right thing to do at the time. As time progressed, however, I seriously questioned the wisdom of the arrangement. We never saw the contract, which showed absolute contempt for the democratic process. We were given heads of agreement but we were never told how many hospitals were involved, and whether it was 17, 18 or 19. Most unacceptably, there was no service level agreement. When I posed

this to the Minister last week, he told me they were in the process of finalising the service level agreement.

Let me give the Minister one example of someone in Galway who was due to have an angiogram today in a private hospital in Galway but was told she would not be called because there was something wrong with the machine, which I can understand. When she asked when she would be called, she was told she would have to go back to the HSE. Surely a service level agreement would foresee that things happen, and if there was a commitment to see her within the time of the contract, then provision should be made for the future. Instead, however, that person is going to be seen by the public health system and she was simply told the contract is up tomorrow - end of story.

Can the Minister confirm to me in writing whether the service level agreements have been reached with all the individual hospitals? Have the private hospitals finally come under HIQA? Who is monitoring the private hospitals? I understood HIQA was to do that, so has it happened yet?

With regard to the roadmap for recovery, while the Minister said it will take a few weeks, there is an urgency to that. For example, there is the situation of people with Alzheimer's attending day centres run by charities and by the HSE, as well as adults with Down's syndrome and disabilities, but there is no clarity as to when they can go back.

With regard to contradictions, figures were given for protective equipment of €300 million and €500 million, and the media are talking about €1 billion. This is simply not acceptable.

The Minister said that Covid stretched the health services but they were at creaking point before Covid. In fact, I have repeatedly referred to a letter the Minister and all of us got from Fórsa highlighting the complete inadequacy of our primary care services and the crisis that existed prior to Covid, but which Covid brought into sharp relief.

I fundamentally disagree that we looked after the residents in nursing homes. We did not. I have taken every opportunity to say that because we did not, although we had ample time to do that. While I appreciate how difficult it is for the HSE, we did not put our nursing homes and residential centres at No. 1 on the list. We failed to do that and we failed to be honest about the testing regime from day one. We manipulated and we twisted and we spun.

I ask for openness and accountability so that we can all work together.

Deputy Marian Harkin: I am sharing time with Deputy Fitzmaurice. I congratulate our new Minister. We soldiered together in another life and I know how committed he is to what he does. I wish him well in his new role.

I want to raise three points, the first of which I raised with the previous Minister for Health. The HSE's framework for the resumption of adult disability day services baldly states that the quantum of services supports will be cut back. We are talking to families, including adults who have disabilities ranging from mild and moderate to extreme, who have been largely abandoned in their homes since 16 March. Many of these people are at their wits' end. They see this new framework telling them about increased use of technology but many of the adults who have disabilities will not be able to use such technology for one reason or another. Will the Minister speak to the HSE and ask officials to look at this from the perspective of the family carers and the service users, to consult family carers and

6 o'clock

to make sure that the services put in place are adequate? The new normal should not involve cutting back services but should work towards full resumption of services.

My second point relates to residential care places for persons with intellectual disabilities. Many families are at their wits' end and I know of homes that are unsafe. There is a chronic shortage in that regard, about which I will speak to the Minister personally.

To move to my final point, we hear a lot about balanced regional development. I have heard the Minister himself mentioning it when speaking about broadband. It applies equally to his own Department, however. Investment in healthcare infrastructure in the northern and western region is 42% of that in the east and midlands. I know there are specialised hospitals in those regions but this investment does not even come close to what is required. In that context, I will refer to something which Deputy Feighan mentioned. What progress has been made in respect of the plans to construct a 46-bed medical unit at Sligo University Hospital? That would simply bring bed capacity in the region to the point at which it was ten years ago.

Deputy Michael Fitzmaurice: I wish the Minister the very best of luck. He has a tough job ahead of him but working together we can do a lot. I have a few quick questions. With regard to foreign travel and the Erasmus programme, colleges are telling people to travel. What is the Minister's view in that regard? Second, when is the deal with the private hospitals over? Third, Roscommon University Hospital has a shell in which more day case procedures could be done to take pressure off University Hospital Galway. It is looking for funding. Will the Minister commit to providing it? With regard to section 39 organisations, 1% was taken off their budgets. Will the Minister restore it? I would be grateful if he could answer those questions.

Deputy Stephen Donnelly: I thank Deputy Fitzmaurice for his kind words. The private hospital deal ends today. As of tomorrow, there is no deal in place but we are looking at a new arrangement with private providers as a short-term measure to ensure we can replace lost capacity in the public system while dealing with the pandemic. With regard to Roscommon, I will have to undertake to get back to the Deputy on the situation with regard to funding.

On the issue of Erasmus students, I do not actually have an answer but it is a great question. The Chief Medical Officer is very concerned about foreign travel but the situation with the Erasmus programme is different. It does not involve people coming in and out of the country in high volumes but rather students spending a number of months or a year somewhere else. It is a great question but I am probably not qualified to answer it. It is a question for the public health officials. I imagine they would probably ask which countries and cities we are talking about. If the Deputy wishes, I will undertake to get some public health advice on the issue for him. It is an excellent question.

Acting Chairman (Deputy Mattie McGrath): We now move to an dara babhta. The names I have for Fianna Fáil, who will share 15 minutes between them, are Deputies Flaherty and Murnane O'Connor.

Deputy Joe Flaherty: I thank the Acting Chairman but there has been one change to the line-up; I will be sharing with my colleagues, Deputies Devlin and McAuliffe. I commend our new Minister for Health and wish him the very best in his new role. I would be remiss if I did not single out the immense personal contribution of his predecessor, Deputy Harris, in the battle against Covid-19.

The challenges in the area of health are many, deeply pressing, and all the more pronounced

as a result of the budget challenges outlined here today. There is probably not one aspect of the health service that is not challenged. What is more frustrating for us as new Deputies is the level of tolerance for this. It seems that it is expected and accepted that there will be an inordinate waiting list and delays for everything. In the case of home help, one is expected to be grateful for the minuscule offering for which one may qualify.

I believe in the new Minister's enthusiasm and energy for the challenges ahead, which include Covid, cancer, Sláintecare, consultants' contracts, the disability sector, and the mental health crisis. All of these challenges will loom large for him.

I welcome the commitment he made earlier to the area of orthodontics. In recent weeks, I submitted a parliamentary question about a young teenage boy from County Longford. After waiting one year for a referral from his local health clinic in Longford town, which incidentally no longer treats or assesses young children for dental care, he was seen by a HSE orthodontist who confirmed that he was eligible for orthodontic work under category 4D. He was duly referred to the orthodontic services in Tullamore more than three years ago. There are still children on that waiting list who have been on it since January 2013. At this rate, it will be another four years before this young boy receives treatment. If it continues at this pace, it will have been almost eight years since he first engaged with the service when he receives the necessary treatment. That is eight years of waiting for a young boy who is in pain, who is suffering discomfort and who is deeply self-conscious about his teeth. That is not the health service we want and deserve. In the HSE's response to my parliamentary question, I was told that, as he was in category 4D, this young boy did not have a high clinical need and would have a long wait for services due to the long-standing deficit in availability of trained staff.

Throughout the Covid pandemic, we have seen that there is no shortage of Irish medics ready to return home and fight the fight. They include a paramedic who left all behind him in Papua New Guinea to come home to Longford and fight the fight against Covid. He has, however, spent the past few months sitting at home on the couch twiddling his thumbs because only a handful of those who volunteered have been mobilised to fight the good fight for the health of the Irish people.

The Minister will be in no doubt that he has a tough task ahead but he will have the absolute and fervent support of all in this House in his endeavours. I appeal to him to ensure that the success stories of his tenure in office will include a successful outcome for that 15 year old boy in Longford and the many others who are desperately waiting for orthodontic treatment.

Deputy Cormac Devlin: I congratulate the Minister on his recent appointment. I know it is one of the most challenging roles in Government. I look forward to working closely with him during the term ahead.

The additional expenditure of €2 billion for the health services illustrates the severe impact of the Covid-19 pandemic on our health services. Clearly, the additional resources are welcome and necessary, as we heard in the Minister's speech earlier. During the first few months of the pandemic, the previous Government introduced a range of precautionary measures such as the takeover of private hospitals. This was welcome and necessary. It is clear that it is no longer necessary and I welcome the ending of the HSE's contract with the private providers today. This will allow private hospitals to return to providing services.

As we begin the reopening of the health system, I ask the Minister to prioritise supports

for people with disabilities who are on waiting lists and for their families. Obviously, we need to reduce those lists. As the Minister and all other Members will be aware, we have all been contacted by, for example, elderly parents who are gravely concerned about their children or adult family members with intellectual or physical disabilities, whether in regard to respite or accommodation needs. I ask the Minister to respond to me, perhaps after this session, about the current plans for funding of these vital services for the remainder of 2020.

The Minister will be aware that I spoke to him previously about section 39 funding, in particular for convalescence and step-down services for elderly people. I ask the Minister and the Department to respond again to me about the planned funding for the remainder of this year for that very important area.

Covid-19 has resulted in soaring waiting lists for inpatient and outpatient services. The latest figures show outpatient waiting lists increasing to 575,863 during May alone, while the inpatient day case waiting list now stands at 86,946. I know the Minister spoke about that himself many times, but this underlines the necessity of getting services in hospitals back up and running. I would welcome clarity from the Minister on those issues.

Deputy Paul McAuliffe: Like previous speakers, I congratulate the Minister on his appointment as Minister for Health. I say that, not out of some sense of party loyalty, but because I have seen in a very real way the ability and skill he has applied to the health portfolio as an Opposition spokesperson. I saw it here in the Chamber but more important, I saw it when the Minister came to visit my constituency with a number of other spokespeople from the Fianna Fáil Front Bench. The Minister listened with real integrity to people from that community speak about how they were in the grip of the drugs industry. I very much welcome the commitment in the programme for Government to deal with addiction as a matter of health rather than a criminal matter. I hope to play a part in leading the debate on how we treat addiction differently. I very much look forward to an opportunity to have the Minister and perhaps other Ministers who attended that meeting return to the constituency to speak again to the people there. Unfortunately, yet again over the weekend there was a shooting in my community. The family resource centre which operates in the area had to reduce the services it can provide due to the level of intimidation. We cannot leave any community in the grip of the drugs industry. I hope to work with both the Minister for Health and the Minister for Justice, Deputy McEntee, on that.

I wish to raise with the Minister the commitment in the programme for Government on primary care centres. I have spoken to him many times about the primary care centre in Finglas. We have been campaigning for it for more than eight years. The HSE has done much work on it and a site has been selected in conjunction with Dublin City Council. I ask the Minister to do everything he can in his time in the Department to ensure the primary care centre in Finglas is delivered. It is something that will have major benefits for the ageing population in this area that has real needs but insufficient GP services, as well as for the children who require access to mental health services. I look forward to working with the Minister and to pushing his officials to ensure the primary care centre is delivered.

Deputy Stephen Donnelly: I am not sure that there were so many specific questions. In response to what Deputy Flaherty said about orthodontics, it is a major issue that any child would have to wait eight years for orthodontic services. It is a failure on all our parts. Consultant surgeons and dentists tell us it is far cheaper to intervene early because in dentistry in particular early detection and treatment is critical. My view is that we are failing the unfortunate young men like the one Deputy Flaherty mentioned, as well as young women. Those waiting lists are

not acceptable. One of the big opportunities we have is the public health school intervention teams, which work very well where they operate. One of the commitments in the programme for Government is to look at activating a DEIS-style health intervention team along the model that was previously rolled out very successfully. That is something we need to spend serious time on.

I thank all my colleagues for their good wishes. I really do appreciate them. As I stated earlier, no one Deputy in this House is going to be able to solve healthcare. It requires us all, and I really look forward to working with everybody on it. Different Members of the House specialise in different areas. For example, Deputy Butler puts significant emphasis on older people. I was honoured to be in Deputy McAuliffe's constituency. I recognise the amazing work he does on addiction. I agree with him that it is genuinely transformative that we will move from it being a justice and policing issue to a health issue. Obviously, as regards the situation he raised in his constituency, the community Garda force, the drugs task force and the Garda drugs teams need the resources on the sharp end, but it is very relevant that for people in addiction we will begin to move to treating this as a healthcare issue, as we should.

I assure Deputy Devlin that we will prioritise disability. It has taken a very sizeable portion of the programme for Government. It will be front and centre. It is now under the remit of a member of Cabinet and I hope in the very near future we will be work out exactly how it will work. We need a whole-of-Government approach to disability. It is a health issue, a transport issue, a justice issue, and an equality issue. I fully agree with what Deputy Devlin said. My commitment to him is from the health portfolio. We will not be found wanting.

I would be delighted to go back to Deputy McAuliffe's constituency. If he is okay with it, I will ask the HSE for a report on what is happening with the development of the primary care centre in Finglas and we will get back to him.

Deputy Mary Butler: I congratulate the Minister, Deputy Stephen Donnelly, on his elevation to the Cabinet last Saturday. I have worked closely with him for the past two and a half years on the health portfolio and I look forward to working with him again.

I wish to briefly raise one issue with the Minister that I know he is very familiar with. In Waterford and the south east, cardiac care is time-sensitive. It is now 6.15 p.m. in the Convention Centre in Dublin and if any of us were to suffer a cardiac attack or cardiac arrest we would be able to go to any number of hospitals in the surrounding area to have treatment. However, we are not as fortunate in the south east. The cath lab in Waterford closed at 5 p.m. It is open for 39 hours a week, Monday to Friday, from 9 a.m. to 5 p.m. There is a clear commitment in the programme for Government to provide a second cath lab. My Oireachtas colleagues in Waterford and I have worked very closely together for the past four years and we have finally made progress. A second permanent cath lab has been agreed, it is written into the programme for Government and it must be delivered sooner rather than later. That is the most important element of progressing the situation in Waterford.

Currently, we are also recruiting for a fourth consultant cardiologist. To deliver 24-7 cardiac care in University Hospital Waterford, UHW, seven consultant cardiologists are required, in addition to a second permanent cath lab. It has taken so long to get to this stage and we are moving very slowly. People in Waterford and the south east are so frustrated. We feel there is an inequality of access to healthcare. There can be great outcomes for something as simple as a heart attack with stenting and the various procedures consultant cardiologists can do. I will be

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in the Minister's ear on a constant basis to get this over the line. I am sure my colleague to my left will raise the issue as well in the next few minutes. It is so important for us that we finally get movement on the issue. I ask the Minister to contact the relevant person in the Department to find out exactly where we are on the timeline. I accept that it cannot be helped that we have lost four months because of Covid. We were at the planning stage and hoping to start construction in the summer. We need a clear timeline and outcome regarding this build. Once again, I offer my congratulations to the Minister.

Deputy Niamh Smyth: I too congratulate the new Minister for Health, who was a very able and capable spokesperson for our party for the past four years. I am thrilled to see him in this ministerial position.

I was also thrilled to have him in Cavan and Monaghan not that long ago. Then he got the full guided tour of Cavan General Hospital and of the minor injuries unit in Monaghan hospital. As he will be aware, there were concerns about the midwifery led unit in Cavan hospital recently. I am delighted the Minister's predecessor, Deputy Harris, allayed those fears and concerns around the future of that unit. It is a significantly important facility, as there are only two in the Republic of Ireland whereas there are eight in the North of Ireland. We know it is an ambition of the national maternity plan that there would be a rolling out of more midwifery led units across the country. Rather than any clouds of doubt hanging over Cavan General Hospital's unit, we need to nurture, harness, support and put resources into such facilities.

The midwifery led unit in Drogheda is thriving and growing. More and more women are opting and choosing that as their maternity pathway. The one in Cavan General Hospital has massive potential to serve not just Cavan and Monaghan but the Border and midlands region with a little bit of support, emphasis and promotion put into that important facility.

I again congratulate the Minister in his new role. I invite him to Cavan General Hospital as well as to Monaghan. At Monaghan hospital there are real opportunities. It has a wonderful minor injuries unit, which relieves the pressure on the emergency department in Cavan General Hospital. There is an enthusiasm among the staff not to just have it as a nine to five, Monday to Friday, operation but to expand it to a 24-7 operation. I hope the Minister might be able to help make that happen.

Deputy Violet-Anne Wynne: I am sharing time with Deputies Ward and Cullinane.

I want to raise the ongoing issue of capacity in our health service. Time and time again, we listened to the Minister's predecessor saying that we were investing in our health service. However, this funding never alleviated the pressures on our health services. We in the mid-west are constantly faced with overcrowding, long waiting lists for our elderly and lack of provision for our younger people.

Last night, I watched the RTÉ programme, which highlighted the Trojan work our front-line care workers do each day and how well they adapted to the pressures of Covid-19. For that I sincerely thank them.

Now that we are faced, however, with more backlogs of procedures and tests, many who were on a waiting lists to start treatment over the past 18 months are facing yet another delay due to Covid-19. Like everyone, I accept that this was unprecedented and unforeseen. I would like to tell the Minister, however, about the case of a family from Clare I had the absolute pleasure of meeting yesterday. The lovely family in question are waiting painfully and reluctantly

since June of last year on the much-needed Spinraza treatment for spinal muscular atrophy, SMA. I met Jordan Perez, who is 12, and his brothers and sisters - Ryan, Zoe, Faith and Ezra. I can tell the Minister that their story is heartbreaking. The Department approved access for treatment on 12 June 2019 on an exceptional and individualised basis for people under 18 years of age with SMA type 1, 2 and 3. This was a huge moment for the families of these children. Now it is overshadowed by angst and despair as children like Jordan are still waiting with no confirmation of a date for the treatment to begin.

Jordan has been let down by this failure and he deserves much better. It is not right and it is not good enough. Jordan Perez has SMA type 2. Being deprived of this treatment is negatively impacting on his quality of life and, ultimately, his hopes for the future. Jordan waits patiently because he is so good natured and is a huge credit to his family. Unfortunately, his abilities are deteriorating right before his family's eyes. This must be addressed with the utmost urgency.

The HSE quotes capacity issues as one of the main reasons this treatment has not taken place thus far. We have been constantly calling for ICU bed capacity in particular to be increased. As we navigated through the Covid-19 pandemic that need was apparent. ICU bed capacity has a knock-on effect for being able to conduct this treatment. I am calling for ICU bed capacity to be prioritised properly but more specifically for the Spinraza treatment that is life-changing for these children with SMA such as Jordan.

With these Revised Estimates, how will the Government ensure the knock-on effects of the Covid pandemic will be minimal on the health service? How will the Department ensure there is no further delay for children like Jordan who so desperately need access to the care and the treatment they require?

Deputy Stephen Donnelly: I thank the Deputy for raising this issue. I share her views on Spinraza. It is a matter that I and my colleagues in the previous Dáil campaigned hard for. As the Deputy spoke about a specific family, if she provides some more details, we can then get a briefing to her.

How we avoid knock-on impacts on our health system because of Covid is a profound and seminal question for healthcare this year. The impact of Covid in terms of waiting lists, the additional money that has to be spent and reduced capacity is unlike anything we have ever seen. It will have a knock-on effect. There is nothing anybody could do to prevent such an effect. We have to move very quickly. Much work is being done by the Department and the HSE on resumption of services and finding new capacity. We are going to have to innovate like we have never innovated before. Everything has to be on the table. We are going to have to bring everyone together.

If there is one thing that Covid showed us, even with a system already stretched beyond capacity, it is that our clinicians, our managers, departmental officials and everybody who works in the system reacted as one in a spectacular way. We need to keep that spirit of co-operation going to address the question the Deputy raised, which is the most significant question for healthcare now.

Deputy Mark Ward: After constantly calling for the previous Minister for Health to release *Sharing the Vision: A Mental Health Policy for Everyone*, I cautiously welcomed the fact that it was finally published just before the previous Government ended. *A Vision for Change* was a bold document and one of its time. Due to lack of proper investment from previous Gov-

ernments, however, it was never even close to being fully implemented.

We can have no half measures when it comes to mental health services provision. We need a fully integrated mental health service that provides patients with the care they need when they need it. I challenge the Minister and whoever else will have responsibility for mental health in the new Government to put into effect comprehensive, person-centred, holistic and community-based mental health services. This is a challenge the previous Government failed. That Government was responsible for acute waiting lists. In December, 2,327 children were waiting for an appointment from CAMHS. More than 100 of these kids were waiting over 18 months with more kids waiting for more than two years. One recommendation of Sharing the Vision, with which I agree, is to increase the age range of those eligible to attend CAMHS from 18 to 25. Currently, young people make the transition to adult services at the age of 18. This can be an age when change, uncertainty and vulnerability prevail. Failure to secure a safe transition can lead to disengagement and ultimately to poorer mental health outcomes. Unless there is adequate investment in these structures and in CAMHS staff, I am afraid that this could just lead to an increase in waiting lists and a lack of services for those who need them.

Over the years, many people have fallen through the cracks of mental health services, but I will welcome stuff when it is good. I welcome the desire in Sharing the Vision to provide a service for those who have a dual diagnosis. There needs to be a vision, and I have not seen it in this Revised Estimate, for local addiction services to be fully resourced. The existing services are bursting at the seams. They need long-term investment so they can budget for and provide services for emerging needs and not just current needs, and so they can be proactive instead of reactive to problems as they arise. The 14 local drug and alcohol task forces need an increase of funding to allow them to plan strategically for the long-term services they need to provide comprehensively, and for which the sector is crying out.

There has been an over-reliance, and I hope it does not continue, on non-governmental organisations to provide the mental health services the Government should provide. We need to move away from this model. We need to fund addiction and mental health services directly and publicly. We need parity of esteem between mental health and physical health. As mentioned earlier, we are on the verge of a mental health tsunami post Covid-19. Existing mental health services are already inundated with cries for help. Covid-19, by its very nature, has increased people's worry and their anxiety levels. Young people were left in limbo for too long with regard to their leaving certificate examinations. They are missing their friends, missing school and missing their social supports and structures such as Gaelic football and whatever other clubs they are involved in. People have witnessed and experienced increased levels of domestic violence. People have lost loved ones and were not able to attend funerals due to restrictions. Some people have experienced financial uncertainty and job insecurity. People have lost businesses, are behind on rent and mortgage repayments and are worried about childcare. There are many issues across the spectrum. Front-line workers have provided essential services right through this pandemic. I include also the retail staff, delivery drivers and everybody else at the forefront. They may need our help in the future. I call on the Government to meet the mental health experts and service providers to get feedback on Sharing the Vision, and to have a robust, open and honest conversation to improve the mental health and addiction services in areas where gaps exist. Time will tell if this Government has the political will to implement real changes in how mental health services are provided. Unless there is an increased budget for mental health and addiction services, I am afraid documents such as Sharing the Vision will not be worth the paper they are written on.

In my area of Dublin Mid-West I congratulate those who took part in the “Itsoknotto-beok100k” initiative in June. It is a bit of a mouthful but that is its name. A group of people got together and decided to raise awareness around mental health services in our area, and to raise funds. As we speak they are on their last lap in Collinstown Park in Neilstown. I was hoping to be there too because I took part in it, but I am here. I congratulate each and every single one of the participants. I commend them for the community approach to an issue where they saw gaps in services, and they are looking for those gaps to be plugged.

Deputy David Cullinane: I commend the new Minister and wish him well. I send him my best wishes. Obviously, we want anyone who takes up high office and a Ministry as important as health to succeed.

In 2009, I was a member of Waterford City and County Council when a presentation was given to the council by a group of healthcare professionals who were based in University Hospital Waterford, a number of whom were cardiologists. At that time - 11 years ago - they said we needed to expand cardiac services in Waterford for the entire south east. Alarm bells went off in the council chamber when the group said that if someone had a heart attack in Waterford or the south east outside the normal hours of 9 a.m. to 5 p.m. Monday to Friday, he or she would have to go in an ambulance to Dublin or Cork for emergency cardiac care. There has been an ongoing campaign since then. I have a very straightforward question for the Minister. I raised this matter right through my period in the Seanad when I was elected in 2011, and when I was elected to the Dáil in 2016, as others have also done, and yet we have not had delivery of 24-7 cardiac care. The Minister’s party leader and now Taoiseach, Deputy Micheál Martin, stood behind a banner and said that if Fianna Fáil was in government it would deliver on this issue. Fianna Fáil is now in government, Deputy Stephen Donnelly is the Minister for Health and Deputy Micheál Martin is the Taoiseach. Deputy Butler spoke earlier about the good work that has been done by all of us in the region on this matter. That work resulted in the last Minister for Health committing to funding a second cath lab. That is now delivered and is there. I have a direct question for the Minister. Can the Minister give me and the people of Waterford and the south east a categorical commitment that 24-7 emergency cardiac care for the south east will be delivered by him, as the Minister for Health, given the commitment made by the Taoiseach, Deputy Martin, as his party leader, and by others on this issue? It is a very clear question that deserves an honest answer for the people who live in the south east. Will the Minister for Health, Deputy Stephen Donnelly, be the Minister for Health who delivers 24-7 emergency cardiac care for the south east?

Deputy Stephen Donnelly: I acknowledge the work that has been done by Deputy Cullinane on this matter. The Deputy and I have been in the Dáil together for many years. I have heard him advocate consistently for this. I appreciate his reference also to Deputy Butler who has advocated and fought very hard on the matter too, as have all the Waterford Deputies. Indeed, we have a new Deputy in this Dáil who has also fought hard on this issue. When I was made health spokesperson for Fianna Fáil, one of the first things I was asked to do by Deputy Butler was to meet our new Deputy from Waterford, Deputy Shanahan, and the cardiologists. The cardiologists came to Leinster House to meet us and to lay out the case. They made a very strong case. They said to me at the time that the focus was on 24-7 care, which is incredibly important and is the goal. To do that, they said they needed a second cath lab. They asked that this was where we put our focus. They said that without the second cath lab it could not be done. They pointed out that in the absence of 24-7 care and a second lab, scheduled cardiology appointments were being cancelled due to other emergencies such as heart attacks. It was

causing consternation because the scheduled work could not be achieved. They asked first and foremost to please get them the second cath lab. That is a commitment in the programme for Government. It is being committed to. I am happy to commit to it. It is a commitment of the Government. Now we need to figure out exactly what else is required - how many cardiologists are required, how many technicians are required, what other support staff are needed, and what linkages are needed between the various hospitals. The goal is 24-7 care. The first and critical big step is the cath lab. If the Deputy does not mind - this is literally my second day in the job - I want to sit down with the HSE to understand the steps that are required. I would very much like to meet the Deputy and the other Waterford Deputies to discuss how we progress it. It is a really important issue for the region.

Acting Chairman (Deputy Mattie McGrath): Are any Deputies wanting to come in from Fine Gael, the Green Party or Páirtí an Lucht Oibre? Goodness, they are all gone to the hills. My list is exhausted here. After that it must be the Social Democrats. No one is offering from the Social Democrats or from People Before Profit. I will call the Deputy from the regional party.

Deputy Verona Murphy: Deputy Verona Murphy-----

Acting Chairman (Deputy Mattie McGrath): Go raibh maith agat, and sorry.

Deputy Verona Murphy: -----of the Regional Independent Group as opposed to party.

Acting Chairman (Deputy Mattie McGrath): Sorry.

Deputy Verona Murphy: Not at all.

I congratulate the Minister on his job, which I am sure he is looking forward to doing. He certainly has the necessary ability and insight, which he displayed as spokesperson over the past number of years. I wish him well and I hope we will work well together.

There are some issues that need addressing, particularly in Wexford, and I will get straight to them. The Minister has heard from other Deputies that, unfortunately, mental health services are in crisis, a situation that is being reported as a tsunami. If we do not halt that tsunami, the ensuing devastation will be with us for generations. More and more people's mental health is being compromised due to poor domestic situations exacerbated by staying at home, the Covid crisis, life pressures, and no jobs but bills to pay. There are also those who are already within the mental health system.

Some frightening statistics were published lately. The national spinal injuries clinic's latest report states that it had seen an increase from 1% last year to 17% in March and April 2020 in the number of patients with injuries sustained through suicide attempts. This figure seems to reflect a trend that has been seen elsewhere. In a survey conducted of 615 consultants by the College of Psychiatrists of Ireland, one third said that new onset and relapsed patient cases were on the increase.

Of particular concern in this regard are the younger and older generations. In March and April, the Mental Health Commission reported an increase of 7% in involuntary admissions by the Garda of mentally ill people since last year, most of whom were under 30 years of age. Last November, the Oireachtas committee on mental health heard that there were 2,600 fewer staff in mental health services than was recommended by the Government's A Vision for Change.

The recently published ten-year roadmap, entitled *Sharing the Vision*, which follows 14 years on from the previous roadmap, *A Vision for Change*, contains no costings or details of staffing levels for the next ten years.

In Wexford, our CAMHS unit does not have a child psychologist or a dietitian for a child or otherwise and its occupational therapist is only part time. We are letting our children down. The CAMHS unit recently moved into Arden House. Although a new and fresh building and everyone is thrilled with it, it will not provide services unless a dietitian is appointed. Believe it or not, I know of a child psychologist who submitted a CV to the HSE three months ago applying for the job in Wexford. I have persistently been told by the HSE that money is not an issue but that finding an applicant is. In the three months since she applied, she has not even got a response to say that her application has been received. There is something very wrong with this. For three years, the Minister has understood these issues. He stated in many interviews during his election campaign that he would invest €200 million in our mental health services. However, if this is not and has not been a money issue, why has that child psychologist not received a response regarding a job that is so badly needed?

I get calls every day from the parents of children who need these services. The one point they keep repeating to me is that words on paper are no good and that what is needed is action. I am delivering that message to the Minister and asking him to take action. I would have no difficulty sitting down with him to discuss the CAMHS unit and the wider mental health services in Wexford. I would welcome his intervention to ensure progress by the HSE on this matter.

The next matter I will raise is of grave concern, and not just because of last night's "RTÉ Investigates" programme. Rather, it has been brought to my attention by a local day care centre, which has received little funding, but funding nonetheless, for bereavement counselling for our elderly citizens. Unfortunately, Tusla will stop making that bereavement grant available. It has instead been transferred to the HSE where an arduous process is involved. We know from last night's programme, the wider Covid crisis and the fact that we all have parents and we know what they have been through that it is imperative that the bereavement grant be made available as a matter of course. We do not need to continue showing disregard for our senior citizens. We must take the actions that are required. Many of the citizens in question are in their later years and need bereavement counselling to give them peace of mind. I call on the Minister to oversee this matter or write to me to let me know what can be done about the procedure. If a care centre has already been in receipt of bereavement funding, it should just be a matter of making a simple application to receive that funding again.

I will turn to the Hew Houghton Hospital in New Ross. A former Minister of State in the Department, the then Deputy Jim Daly, visited New Ross with me. Funding was granted. Unfortunately, however, the situation has not been furthered. The facility mainly cares for dementia patients and has been invaluable to our community, including throughout the Covid pandemic. The staff are wonderful. There has been no Covid case in the hospital, but it needs that funding and maintenance work needs to be carried out. Will the Minister give an update on the matter? Doing so in writing would not be an issue.

Many families have contacted me in recent weeks. Some nursing homes - more private ones than otherwise - have reinstated visiting, albeit outside for 15 minutes or so per patient in some cases. People are not necessarily being denied access, and I understand the plight of the nursing homes in having to keep their patients and residents secure, but will there be guidelines for visitations, when will there be a safe period and what kind of direction and help can

the Minister give private and public nursing homes? They may need more assistance, be it due to financial requirements or a lack of capacity to deal with outsiders visiting due to the social distancing requirements. Many people are now asking to see their loved ones, who are in an age bracket where they need to interact.

We will have a large number of issues to discuss in future, but I hope that we can give many of them immediate attention, in particular the CAMHS unit in Wexford. All that I request is a short meeting so that, if it is not a funding issue, we can sit down and work out what we can do to further this cause for the young people of Wexford.

Acting Chairman (Deputy Mattie McGrath): Next is Deputy Nolan of the Rural Independent Group.

Deputy Carol Nolan: I wish the Minister well in his role and every success. It is a challenging portfolio, but I do not doubt that he will be successful and effective. I look forward to engaging with him in a constructive manner and, I hope, finding solutions for some of our ongoing problems.

The Revised Estimate being presented to us indicates the staggering levels of funding that are going into the Department of Health and the management of the HSE. This is of major concern to many, including me. Can this issue be examined? We must take responsibility and ensure that adequate funding is being directed to where it needs to be. For example, I constantly hear that disability services are being left short and that the services themselves are inadequate. The same applies in the case of mental health services, which have been mentioned a number of times in this debate, and home care. Elderly people are being failed and are left languishing on long waiting lists for home help.

In terms of speech and language therapy and occupational therapy, children with special needs are waiting unacceptable lengths of time, which affects their well-being and educational attainment. I attended a meeting of the Laois Offaly Families for Autism organisation before the election. I gave a pledge to those people that I would continue to raise this issue on the floor of the Dáil as a Deputy for Laois-Offaly. It is distressing to hear what many parents have to go through and the fight they have with the system in terms of getting basic services for their children. We have a serious ongoing problem in Laois-Offaly. Perhaps therapists could be brought from areas or regions where there is not a problem to areas or regions where there is a backlog. There should be ongoing recruitment of therapists to make sure we are ready for when there is an urgent need. At present, I can assure the Minister there is a long waiting list in Laois-Offaly that badly needs to be tackled. I have no doubt he will try to do that.

Since its post-crisis low in 2015, gross Voted spending on healthcare has risen by almost €5 billion. The concern of many people is that we are not seeing value for money and we are not seeing the services. A change of approach is needed to ensure we see value for money and adequate services in all those areas I mentioned.

Will there be room in today's Estimate for the appointment of an independent external facilitator in respect of Midland Regional Hospital, Portlaoise? This hospital has been left in limbo for so long and the issue has been raised on the floor of the House many times. I have raised it since I became a Deputy for Laois-Offaly. The hospital is unable, because of the uncertainty, to develop and expand other services to the extent that it would like and the recruitment of specialist staff is difficult. I appeal to the Minister in this regard, and I would be grateful if

he could bring a final resolution to this ongoing issue. The future of the facility has been in doubt for too long.

With regard to the Estimate, we know that primary care and mental health services have been receiving comparably smaller shares of additional funding. However, mental health services receive a small share in overall terms. As I understand it from the Parliamentary Budget Office, PBO, analysis, this is the result of a €46.5 million fall in capital budgets, which offset current spending that is expected to rise by €51.3 million. I hope this increased budget can be maintained. There is simply no point in rolling out mental health strategies if the funding is not there to make the ambitions a reality, because people have been let down for so long and the gap in our services in terms of mental health has been filled by many voluntary organisations that have done fantastic work. We have men's sheds, Jigsaw, and many GAA clubs that are embracing this issue and helping in every way they can, but we urgently need more.

With regard to attendance at masses and other church services, I appeal to the Minister to make sure a common sense approach is adopted. I have been contacted about this issue often over the past few weeks, and I agree it is unfair that restrictions are imposed that we do not see in any other sector. I ask the Minister to make sure a common sense approach is adopted and parishes are allowed to make the decisions for themselves.

Acting Chairman (Deputy Mattie McGrath): I call an Teachta Danny Healy-Rae, más é do thoil é.

Deputy Danny Healy-Rae: I too wish the Minister, Deputy Donnelly, all the best in his new job. I look forward to working with him and we will certainly have a lot of things to sort out.

I thank the health workers all around the country, but especially in Kerry, the people who worked in the hospitals in Tralee, Cahersiveen, Dingle, Kenmare, Killarney, and indeed, Bantry, which is very close to us and deals with many patients in our general district.

I ask the Minister, as I have asked several times before, to deal with the need for expanding or reopening the beds in Kenmare and Dingle and the new promised hospital for Killarney. I want to highlight problems in the emergency department in University Hospital Kerry, Tralee, where people over 80 and 90 years of age are waiting up to 24 hours or more. There seems to be a problem with doctors in the emergency department, in that there is not enough of them or of radiologists to read X-rays and scans. People are being sent home without this happening and that is not good enough.

I want to raise the issue of home help. People would like to stay much longer in their homes if they had a bit of extra home help, for which I am calling.

We know about the sanitary requirements and such being followed up by HIQA. Who is monitoring the protein and nutritional value of what patients are getting in hospitals, care homes, and places where elderly people are being fed to ensure they are receiving the proper nutrition, especially where outside caterers are employed to bring in the food? We need to ensure they are getting the right type of food with the proper nutrition and protein in it.

We are all here today to support the extra funding that has been allocated. We wish that it was more, because so much more is needed. I would like to ask the Minister and the Government what investigations have been done internationally into who caused this virus. It is said

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it was the Chinese. I ask that we follow up on that, even though people are dead and families have suffered severe pain. I think of the Cagney family in the Black Valley beyond Kenmare who have suffered so much. No money will ever compensate them, but if the Chinese are responsible for this virus, I ask the Minister and the Government to follow up on that and to ensure the people of Ireland get some compensation for what has happened here. We all know what it is costing. We do not have mines, gold, diamonds or oil. The ordinary working person will have to pay the price. If there is to be retribution, we should go after it, because what has happened to our country is not fair. Our lives and the lives of everyone we represent have been destroyed and upset.

Acting Chairman (Deputy Mattie McGrath): Go raibh maith agat. With the agreement of the House, Deputy Paul Murphy-----

Deputy Joan Collins: I am due to speak next. The Independent Group has eight minutes.

Deputy Paul Murphy: Put me after the Deputy.

Acting Chairman (Deputy Mattie McGrath): With the agreement of the House, I will allow Deputy Murphy, who missed his slot earlier, to speak. Is that agreed? Agreed.

Deputy Joan Collins: I watched “Prime Time Investigates” last night and it was harrowing and sad. I wish to express my solidarity with the families of the patients who died and the staff who were with them, who became their carers, who took care of their medical needs, who became their communicators and who literally became their undertakers. That is the role they played over that period and that must be recognised, not with a clap and with people standing in the street. They have to be looked after now. Those workers were distraught. They need care now, and they need follow-up care. They need better terms and conditions in terms of their pay. They need those beds to be kept open. They need the extra staff who came home to stay in our health service and they need us to start moving to a Sláintecare situation and an NHS for Ireland. They were amazing staff. That was not just happening in St. James’s Hospital but it was happening all over the country.

I agree with Deputy Connolly about the nursing homes. They were not prioritised and, to a certain degree, I understand that because the HSE and NPHET were scared of its lives about what could have happened in the public hospitals because of the crisis in healthcare. That is where things went wrong, because they were focused mainly on the public hospitals and the public in general and they dropped the ball from the point of view of our nursing homes and our older people.

We saw what happened as a consequence.

We are discussing Vote 38, which is the additional funding of almost €2 billion required to ensure the health service could respond to the Covid crisis. It is a retrospective go-ahead. The committee has not had an opportunity to scrutinise the Estimate, which is understandable but regrettable. The format it has been issued in makes it very difficult to read. We are really voting on the macro moneys and the broad figures of €115 million per month for taking over the private hospitals, paying the rent, testing and tracking and personal protective equipment critical to respond to Covid-19. I want to try to bring in a micro aspect of our health service whereby workers have been very much let down and I would like the Minister to look into it if he can. I will ask a few questions at the end.

7 o'clock

At the start of the crisis we were asked to stand and clap for the heroes who are the front-line workers in our health service but the reality of the treatment of these workers in many cases is nothing short of disgraceful. Recently, I was contacted by a worker in the health service with 20 years service in an administrative role. At the start of the crisis, this woman and her colleagues were told by management that they were considered front-line workers and that they could not work from home. She has two children, both with underlying health issues, and could not use her parents for childcare for obvious reasons as they were aged over 70. In effect, she was forced to use her annual leave to take time off to mind her children. Her annual leave year begins on 1 April and people have 26 to 28 days, depending on their service. All of this person's annual leave was used by the end of May because she had no one else to look after her children. All of her annual leave until 1 April 2021 is gone. Her option now is unpaid parental leave. I am sure it is not just this person in this situation.

The crèche facilities available to this person pre-Covid were 7.30 a.m. to 6.15 p.m. These were the same as her working hours and she could work around them. Now what is available is 8.45 a.m. to 5 p.m. because the childcare facility cannot do more than this. She has an hour commute to work in the morning and the same in the evening. This means she could only be at work at 10 a.m. and would have to leave at 3.30 p.m. to collect her children. This is not an option for her. The cost of the crèche now available for 22 hours a week for two children is €294, leaving her with approximately €100 a week for everything else, including diesel, travel, lunch, household outgoings and mortgage. Her partner is also a front-line worker. He has to go in as he is a subcontractor and would lose the contract if he was not available.

My understanding is that it is against the law to force workers to use annual leave in this situation but effectively this is what has happened. The problem is widespread for front-line health workers and it was raised recently by the INMO. The Government promised to make special arrangements to provide crèche facilities for health workers but completely failed to deliver. I find the situation absolutely incredible. Surely there is somebody in charge, either at ministerial level or among the officials in the Department or managers in the HSE who could have used their imagination and wit to provide a solution. These workers should have been allowed to stay at home with full pay. That is the bottom line. They had no other choice. They had to stay at home and they should have been told to stay at home on full pay.

This worker is now looking at the possibility of seeking alternative employment with suitable hours, which is going to be very difficult for her but she does not really have much choice. This is the choice she has been given. She was really let down, as were many of her fellow health workers. She has said staff are in despair and stressed and some are depressed. These workers should be given back the annual leave they had to take. They should be given the flexible hours to be able to look after their children. This worker should be able to work around the childcare hours that she has.

Will the Minister investigate this? Will he give a commitment to front-line workers that he will find out how many of them were affected? I am speaking about ambulance workers, nurses, administration staff and workers across the board. Will the Minister find out how many of these workers were affected and write to them to tell them they will get their annual leave back, they do not have to take unpaid parental leave and they will be paid in the meantime and given flexible hours? I hope the Minister will respond to this.

Deputy Stephen Donnelly: I thank Deputy Collins for raising these issues. Deputy Collins and I were in the Chamber, along with others, discussing this very issue with the INMO during

the past ten days. The situation our front-line workers were in was incredibly difficult, and not just front-line workers but also a lot of the management staff and non-clinical staff who were just as essential at keeping everything going and found themselves in impossible situations. The reality is there are many people in the healthcare system who have not had a day off since March, whose personal lives have suffered and who are exhausted. They have gone above and beyond to keep the show on the road and make sure people got treated. I agree with Deputy Collins that they deserve huge credit and huge recognition throughout the country.

Specifically with regard to childcare, there was a big issue and I say this as a father of three young children. I spent the past few months involved in home schooling my children. The schools were closed as were the crèches and childminding options were not available. Obviously, in many cases grandparents could not come in. A childcare scheme was launched but it did not work. I would like to look into this further. From what I have read, one of the issues was there was an understandable reluctance for childcare professionals to come into the homes of the healthcare professionals because, as the healthcare professionals said themselves, they were at risk. A genuine effort was made but it did not work. I will seek a briefing and I will ask that the Deputy is provided with a briefing.

I agree with her that the first thing we have to do is understand what the scale of this is, how many people were affected by it and what has been the cost on them. Do we have a situation whereby many of our front-line workers, whom we applauded quite rightly, have been suddenly left without any leave for the rest of the year? Even if we were not thinking about them, which we must, even if we were selfishly just thinking in terms of the healthcare system, our healthcare workers are exhausted. They are burnt out and the stark reality is that come September, October and November we will ask them to step right back up again. We do need to find ways to support them. I will revert to the Deputy and I thank her.

Deputy Paul Murphy: We are here to discuss the question of extra funding. I do not think anyone in the country could dispute the need for extra funding for our health service. That is probably a general truth but it is particularly true at this moment. There are legitimate questions about where the money is going and conditions in our health service. If possible, I want to do back and forth question and answers.

I will start with an issue the Minister also raised when he was in opposition, only a number of days ago. On at least five occasions, he raised the question of the deal with the private hospitals. In his words, €115 million was a large sum of money, which obviously it is, and he was concerned that it did not represent value for money. Now that he is getting his feet under the table as a Minister, will he be any different from the previous Minister? Concretely, I repeatedly asked the previous Minister to publish a breakdown of those costs, and the cost estimates the Department or the HSE gets on a monthly basis from the private hospitals, so that we can see where that money is going and, in particular, why it is the case that we appear to be paying more than five times as much per bed compared to what looks like a similar deal with the NHS. Instead of providing this information, and I had many exchanges with the former Minister, he simply spoke at length about how important it was to use the private hospitals and about how we needed the capacity, about which there was no question whatsoever. It was a question of what the nature of the deal was and how to get that capacity. Will the Minister publish these details? Will he publish the breakdown of costs so people can see for themselves why it is costing so much?

Deputy Stephen Donnelly: I thank the Deputy. My preference is to start from a position

of transparency. We must also be mindful of issues of commercial sensitivity and of protecting individual identities in cases. We all know information has to be withheld in those cases.

I am puzzled by the comparisons I have heard and I would need to see the underlying reports. It was alleged earlier on that the cost, presumably per bed night, was multiples here of what the NHS procured from private hospitals. I would need to see the detail on it. It sounds puzzling. I understand that the contract was done on a cost basis. I have no reason to believe that is not true and, therefore, it would have to be the case that it costs several times more here per bed night. It is something I will certainly be looking at.

I appreciate the Deputy's comments on the deal and I had made similar remarks. While I was critical of aspects of the deal, I fully accepted that it had to be done. To some extent, the empty beds told a story of success because they were not needed. The Deputy and I, along with everybody else, would have loved to have seen them deployed to non-Covid-19 and elective care instead. We have to be clear that if we are to enter into new arrangements with the private hospitals due to the extent of Covid-19 and the depletion of resources it is causing in terms of our capacity, which we would be well advised to do if we want patients to get care, we need to make sure that whatever agreement is put in place, that first and foremost it delivers high quality care for the patients who need it. Second, I agree that it also has to represent value for money. We will be looking at that, particularly in the context of the best way to engage for however long we want to put an arrangement in place.

Deputy Paul Murphy: I strongly urge the Minister to publish those figures so people can see for themselves to better investigate the situation and to compare it with Britain.

I have another question on the pay and treatment of nurses, who have been on the front line over the past while, along with other workers, in the struggle against Covid-19. We know that more than 8,000 healthcare workers have been infected, making up a huge percentage of our total infections, which is the highest rate in the world according to the Irish Nurses and Midwives Organisation. However, they have not received any hazard pay. Too often, particularly in the earlier days, they were left without adequate PPE and still Covid-19 is not being treated as a workplace injury for those workers. Over the weekend, a clip was circulated from 2008, which the Minister probably saw, of the then Minister for Health complaining that nurses were well paid as new entrants. In fact, our nurses have been overworked and underpaid, not just during the crisis but well before it. That was why they had to fight for pay increases and for parity with other healthcare professionals, including in their strike last year. Does the Minister agree that at the very least, our nurses should get hazard pay during this crisis and that they deserve a raise into the future?

Deputy Stephen Donnelly: In the first instance, the issue being raised with me by nurses and midwives is the full implementation of what was agreed after the strike last year. I joined them on the picket lines and I have no doubt the Deputy joined them on the picket lines as well. We need to look at that first and foremost. I want to be careful about how I say this. I was going to say the primary concern of the nurses and midwives I spoke to on the picket lines was not pay. I do not mean to say they were not interested in their pay but I mean that their real passion was the quality of care. On the picket lines they talked to me about safe staffing levels. I do not mean to diminish the pay aspect in any way but it is to their great credit that they were not going out on strike primarily looking for pay increases. Rather, they were talking about patient care. We have to address both of those issues in the first instance. Both of those issues have been agreed to. We agreed to implement the safe staffing levels and to fully implement the

agreement that was put in place.

Further to that, it is definitely worth taking a look at what options are there. The Deputy has raised the issue of hazard pay and other Deputies have raised the issue of returning leave that had to be taken to mind children. Other Deputies have raised other issues and the INMO and nurses and midwives themselves have raised other issues. We need to recognise the work that has been done. Over the coming weeks, we will think about how we will equip the system and support our healthcare professionals for the rest of the year. We have a group of people who have stood up and served to an extraordinary level, many of whom are very tired and we need to take a look at that in the coming weeks, along with many of the issues that were raised here today.

Deputy Paul Murphy: Most of the healthcare professionals hired during the crisis have been hired on short-term contracts with CPL, a recruitment agency. The former Minister, Deputy Harris, refused to publish the details of that arrangement. Will the Minister publish the details of the arrangement between the State and CPL?

Deputy Stephen Donnelly: If the Deputy does not mind, what I will do is ask for a briefing on why it may or may not be possible to do so. It may be that there are issues of commercial sensitivity involved but I will ask the question.

An Ceann Comhairle: Does the Minister have anything else to say in conclusion before we bring the matter to finality?

Deputy Stephen Donnelly: I thank all of the Deputies. It has been a long, detailed and good session and we have touched on many of the issues that have been raised. We have discussed our extraordinary healthcare professionals on the clinical side, the administrative side and the support side in the HSE, the Department and right across the system. There has been wide and deep recognition of the role everybody has played.

I understand that the Vote is being accepted and if that is the case, I want to thank the House for that and for the recognition that this money is essential and has been put to good use by our healthcare professionals and workers in the national response. I repeat that I will be back seeking further support from the House because this additional €2 billion is for measures that have been agreed by the Government to date and it is not a full-year Estimate. The reality is that as we continue to pay for costs directly related to Covid-19 and as we figure out the resumption of non-Covid-19 services, which are so important, we will think hard and hopefully we will be clever and come up with good ideas but it will cost money, and probably a reasonable chunk of money.

I want to finish with some good news. One of the items in the Estimate and that was part of the Covid-19 response was the temporary assistance payment scheme for the nursing homes. The original scheme, which was for three months, runs out today. The nursing homes and the residents and their families are quite understandably concerned about that. Nursing homes, like many of our essential health and social care services, are facing a range of challenges in the wake of Covid-19 and they all need to do things differently. Great strides have been made, including in the further suppression of the virus in the community. We must continue to provide support to nursing homes and to contribute towards their continued planning, preparedness and response to Covid-19. I am pleased to announce, therefore, that following a review, I will be extending the temporary assistance payment scheme for a final three months. The scheme

will continue to be open for nursing homes for the months of July, August and September. It is an important contribution to supporting the sector in its ongoing preparedness for managing and mitigating the impacts of Covid-19, as well as supporting and protecting residents, which is at the core of everything they need to be doing. The extension of the scheme allows these preparedness and management measures to continue to roll out and also provides certainty on the conclusion of the temporary scheme. I must also recognise that significant systems and structures to facilitate the support of private and voluntary nursing homes have been put in place and have developed considerably in recent months. These non-financial supports come in the form of PPE supplies, temporary accommodation for nursing home staff and through the HSE's crisis response teams, including through the deployment of HSE staff. A considerable amount of support, in the form of telephone support, infection prevention and control support and public health support, is being provided to the nursing homes in parallel to the scheme that was put in place. The extension of the scheme also recognises that these other supports have been deployed as well. The extended scheme, therefore, will operate with some amendments. The new standard assistance monthly payment rates will be €600 per resident per month up to 40 residents, €300 per resident per month up to 80 residents, and €150 per month per resident thereafter, to an overall ceiling of €60,000 per month. The outbreak assistance payment component of the scheme will also continue.

The HSE continues to provide significant supplies of PPE to nursing homes, with well over €20 million worth of PPE provided to date. This must be recognised in the extension of the scheme. It no longer makes sense to have in place two separate funding supports for PPE. Therefore, for the remaining life of the scheme, the HSE will continue to provide PPE to nursing homes and the scheme will no longer need to cover this cost. The scheme administration is also being simplified with the removal of the form A process. This process made sense at the commencement of the scheme to ensure early flow of funding. However, it has served its primary purpose and may now be counterproductive to good administration and user-friendliness on behalf of the nursing homes, so we are discontinuing it. A small number of other amendments are being made, and I will announce details of this later.

I wanted to finish on some good news, some recognition of the need to continue to support primarily the residents of our nursing homes but also the amazing staff, who have worked so hard over the past few months. I thank the House again for supporting the Vote.

Vote put and agreed to.

Gnó na Dála - Business of Dáil

An Ceann Comhairle: Before adjourning, we must agree the arrangements for next week's proceedings of the Special Committee on Covid-19 Response. The arrangements were notified in a report of the Business Committee circulated this evening. If we take the arrangements as read, can I take it they are agreed to? Agreed.

Written Answers are published on the Oireachtas website.

The Dáil adjourned at 7.25 p.m. until 2 p.m. on Tuesday, 7 July 2020.