

DÁIL ÉIREANN

AN COMHCHOISTE UM GHNÍOMHÚ AR SON NA HAERÁIDE

JOINT COMMITTEE ON CLIMATE ACTION

Dé Céadaoin, 20 Samhain 2019

Wednesday, 20 November 2019

Tháinig an Comhchoiste le chéile ag 2 p.m.

The Joint Committee met at 2 p.m.

Comhaltaí a bhí i láthair / Members present:

Teachtaí Dála / Deputies	Seanadóirí / Senators
Jack Chambers,	Alice-Mary Higgins,
Marcella Corcoran Kennedy,	Tim Lombard.
Barry Cowen,*	
David Cullinane,	
Pat Deering,	
Timmy Dooley,	
John Lahart,	
Tom Neville,	
Carol Nolan,	
Thomas Pringle,	
Eamon Ryan,	
Brid Smith,	
Brian Stanley.	

* In éagmais / In the absence of Deputy Mary Butler.

I láthair / In attendance: Deputies Michael Fitzmaurice, Danny Healy-Rae, Alan Kelly and Denis Naughten and Senator Terry Leyden.

Teachta / Deputy Hildegard Naughton sa Chathaoir / in the Chair.

Business of Joint Committee

Chairman: Apologies have been received from Deputy Martin Heydon. I propose that we go into private session to deal with some housekeeping matters. Is that agreed? Agreed.

The joint committee went into private session at 2.05 p.m. and resumed in public session at 2.20 p.m.

Supporting a Just Transition: Discussion (Resumed)

Chairman: I welcome members and those who may be watching proceedings on Oireachtas TV to the Oireachtas Joint Committee on Climate Action. Before we commence, I remind members and witnesses to turn off their mobile phones or switch them to flight mode as they interfere with the broadcasting system.

In the first session of today's meeting we resume our discussion on supporting a just transition. On behalf of the committee, I welcome Ms Patricia King, Mr. David Joyce, Mr. Macdara Doyle, Mr. Paul Goldrick-Kelly, Mr. Willie Noone, Mr. Jimmy Nolan, Mr. Jim Dullaghan and Ms Karen Halpenny of the Irish Congress of Trade Unions, ICTU.

I advise our guests that, by virtue of section 17(2)(l) of the Defamation Act 2009, witnesses are protected by absolute privilege in respect of their evidence to the joint committee. However, if they are directed by it to cease giving evidence on a particular matter and continue to do so, they are entitled thereafter only to qualified privilege in respect of their evidence. They are directed that only evidence connected with the subject matter of these proceedings is to be given and they are asked to respect the parliamentary practice to the effect that, where possible, they should not criticise nor make charges against any person, persons, or entity by name or in such a way as to make him, her or it identifiable. Members are reminded of the long-standing ruling of the Chair to the effect that they should not comment on, criticise or make charges against a person outside the House or an official by name or in such a way as to make him or her identifiable.

I now invite Ms King to make her opening statement.

Ms Patricia King: I thank the committee for the opportunity to address it on an issue that is crucial to the future of so many communities. Congress welcomes the national conversation that is taking place in respect of climate action and the transition to a low-carbon economy. We acknowledge the Government's recently-published climate action plan. However, given that trade unions and environmental groups globally have been discussing the carbon transition for some years and campaigning on the concept of just transition for at least two decades, it is a source of deep concern that the debate in this country has only just begun. It should have started many years ago. At the very least, the Government should have taken the lead on this immediately on signing the Paris Agreement in 2016, which binds us to specific targets and obliges us to implement a just transition. Instead, it appears that official policy constantly struggles to keep pace with events and that jobs are threatened or lost before any support is put in place. Inevitably, this leads to fear, uncertainty and distrust among the workers and their communities.

The current situation in Bord na Móna and the ESB is a major test for policymakers. Bord na Móna was established with a regional employment mandate and it has supported decent

employment across the midlands over many decades. The phasing out of peat production also has implications for the ESB and the decision to close peat-fired stations by December 2020 has added to the fear and uncertainty for workers in the region. The prospect of a planned, orderly wind-down is now seriously diminished and the midlands is threatened by further economic decline. A coherent just transition framework would address the real fears of workers and their communities on the impact of the shift to greener energy production. In the case of Bord na Móna, this would entail programmes to ensure that workers could redeploy or reskill for new green jobs, but these programmes are not yet in place.

In budget 2020, the Government announced some €31 million for retraining initiatives and a retrofit programme - some of which might be old money - and initiatives on bog restoration, all of which may deliver up to 500 jobs, but there is no certainty in this regard. For example, there is no clarity regarding plans to repurpose the PSO levy to support job creation. Equally, it is our understanding that the platform for coal regions in transition provides technical, but not financial, support, while the carbon transition does not currently fall within the remit of the EU's Globalisation Adjustment Fund. The shift to a low-carbon economy offers significant opportunities for new and decent job creation in renewable energy generation, deep retrofitting, new infrastructure to reduce energy consumption and better public transport, but the State must take the lead and commit appropriate investment. The market cannot deliver on the scale that is required. The midlands already suffers relatively high levels of unemployment in comparative terms, while inward investment is among the lowest of all regions. More job losses and depressed local demand are unlikely to spark a sudden influx of new, private capital.

There are many examples of carbon transitions from which we can learn, including Germany, Australia, Canada, Spain, south Wales or Appalachia. Successful transitions are characterised by planning, inclusive social dialogue, the involvement of all stakeholders and by state-led investment. In Spain, the Government, unions and employers reached a deal in 2018 that will see the orderly wind-down of the coal industry over the next decade and investment of some €250 million in the affected regions. This deal could serve as a useful template for policy here. Those transitions which have manifestly failed - south Wales and Appalachia - relied on the market to deliver. The result was social chaos and economic dislocation that is still evident today. Any transition must ensure the participation of affected workers and communities. This includes social dialogue with all key actors. For this reason, it is highly regrettable that Bord na Móna management has consistently refused to utilise the good offices of the Workplace Relations Commission, WRC, to engage in a forum with workers, whereby all relevant issues can be discussed and resolved. It is equally unfortunate that the Government, while appointing a just transition commissioner, has explicitly ruled out this position having any role in matters pertaining to workers. It is important to understand that workers and communities across the energy generation sector are being asked to sacrifice their livelihoods for the greater good of future generations. This creates a moral and social imperative for policymakers to ensure they do not become the collateral damage of decisions taken at a distant remove.

Bord na Móna and the midlands will serve as a litmus test for Ireland's transition to a low carbon economy. If workers and their communities are abandoned to the market then support for the process will evaporate and opposition will grow. The incoming European Commission has advocated a European green deal similar to the green new deal advocated by unions and others. Congress believes Ireland should embrace this new initiative and devise a comprehensive and coherent strategy to ensure that no one is left behind on the road to climate neutrality.

Chairman: I thank Ms King. I will now open the floor to the Fianna Fáil group. The mem-

bers have 5 minutes each for questions and answers.

Deputy Barry Cowen: I thank the unions for their presentation. I welcome, in particular, the commentary regarding the consultation that they would expect to ensure that a just transition is more meaningful than it has been to date, the need for the role of the just transition commissioner to be broadened or for another process to be put in place to allow all parties to contribute to the just transition. I have specific questions relating to the comments of the Government since the announcement last week regarding the ESB closures. The Government announced that 400 retrofitting jobs will be available to the workforce of Bord na Móna. Can the witnesses confirm that the latter is not the case, that Bord na Móna has no remit in respect of retrofitting of houses, that it is a job for those who will tender for that work and that the company has no role in tendering for such jobs?

In regard to the repurposing of the PSO towards the rehabilitation of bogs within Bord na Móna, is that a fact or is it merely an aspiration? Again, commitments have been made by the Government that jobs will be retained because of that repurposing and the funds attaching thereto. Are the witnesses aware of this being a fact? Is there consultation under way with the Commission regarding repurposing of the PSO beyond its final payment in regard to fuelling peat next year?

In regard to the permission that Bord na Móna had regarding its association with the power plants, will that cease next year? There is an obligation under that permission for Bord na Móna to reinstate or rehabilitate the bogs, such that it would have made provision within its accounts for doing so. This provision is in the region of €20 million. Do the witnesses have any knowledge of this? Can they confirm if it is the case?

In the context of the transition programme and the funding that has been allocated, I was privy to the negotiations which recommended that allocation by the Government in the budget, which was carried by the Dáil and welcomed by Fianna Fáil at that time. The recommendation was that €30 million, or two thirds, of the €80 million annual revenue from carbon tax be set aside for the transition fund for the forum, the retrofitting programme and some other initiatives around that. That was made when it was expected that there would be a transition over the eight or nine years up to 2027. That is not now the case. It means Offaly County Council will be down up to €40 million in rates revenue from the ESB and Bord na Móna. The allocation of €6 million is a very small pot when compared to that eventuality. What are the witnesses' thoughts on that? The ESB has made an allocation but it pales into insignificance compared to the loss of revenue for the local authority. Do the witnesses believe it is at all suitable and do they believe that much larger funds must be made available?

Ms Patricia King: I will deal with some of the questions. First, nobody had a conversation with us about alternative employment, whether it is retrofitting or any other option. About eight weeks ago, I and a number of the people who are here from the group of unions in Bord na Móna met the Minister, the Secretary General of the Department and a number of senior officials. At that meeting we said that we did not wish to arrive at a place where all of this is too late. We said we needed a forum to be put in place immediately and that the WRC would have the professional people to do it. All the issues currently affecting workers in Bord na Móna and future employment should be tabled at that forum. It should be a stakeholder forum, which would include Bord na Móna management, Government representatives and others, to see if we can reach a position where we can identify the future work available. Bord na Móna management has consistently refused to take part in it. It will not convene it. It has taken a very narrow view.

The core piece at this hearing today is that it is my judgment that Bord na Móna is on a campaign. It shows no signs of having any interest in re-jobbing anybody. It gives no signs of having dialogue about the future of its workforce. I am stating very serious things but I do so because I have plenty of evidence and good reason to do so. As regards the list of options the Deputy mentioned, not one person in Bord na Móna management, from the chief executive down, has any interest in having that discussion with the representatives of the workers who have worked for decades in Bord na Móna. That is the first thing I must say.

Chairman: Sorry to interrupt but the Deputy has gone over his five minutes. If his colleagues do not mind, they can let the other answers be given. I am trying to keep to the time-frame. I know that what Ms King is saying is important, but try to keep the answers brief.

Ms Patricia King: The director of the Workplace Relations Commission has corresponded with all of us and said the WRC is happy to provide the forum and understands how important this is. The chief executive and his team are on another mission. We can guess what the mission is. Our guess is that they want to de-unionise the place. They want to have little engagement, let people go and then they will decide the rates of pay of any future jobs. They will be in control. We understand that this is what they are doing. There is a big battle taking place for the future. It is extraordinarily serious that nobody appears to have the wherewithal, despite the fact that the main shareholder is the Government, to tell Bord na Móna management to allow the just transition forum to happen.

There is no point in mentioning Mr. Kieran Mulvey. He has no role for us. He will not have anything to do with us. Here we are with all these people about to lose their jobs and we know all the things that should be happening and all the best international advice, even if we are late to the plate in terms of the planning. All these things could be happening, but Bord na Móna management is point blank refusing to engage in anything. The management will say that it is using the joint industrial council. The joint industrial council in Bord na Móna is about solving day-to-day issues that might arise. It is of no relevance to this discussion. From our point of view, this is a most serious situation for the future of those workers. Somebody must ask Bord na Móna management to do what must be done here.

Chairman: There was another question about the PSO. Who would like to respond to that?

Ms Patricia King: Nobody has discussed the future of the PSO with us.

Deputy Barry Cowen: Is Ms King happy that the pension has the capacity to meet its commitments to the 2,000 workers and the extra 5,000?

Ms Patricia King: No, we are not happy that the pension has the capacity. We raised this at the meeting with the Minister. We said to the Minister that if the forum was established, part of its work would be to traverse that ground to understand where the difficulties are. There are many complicated issues with the pension, such as the seasonal and contract nature of people's employment and so forth. We are not happy, but if there is no forum and no dialogue it will not be possible to resolve it.

Deputy Timmy Dooley: I welcome Ms King and the team and thank them for their work. To what extent does she think the work of a just transition commissioner should be extended beyond its current scope, which is principally in the midlands in respect of the end of the burning of peat for generating electricity? The ESB has reduced considerably its burning of coal in Clare, the constituency I represent. That was not expected to happen until 2025 but because

there is more renewable energy on the grid the output of Moneypoint is not required to the extent it was previously. That has changed the profile of what is happening there. As a result, the ESB has negotiated a deal with the union for 100 people to take redundancy. In a just transition it is important that workers are looked after. If one is working for Bord na Móna or the ESB one will be well looked after because the companies are in good shape. There is some support available, certainly for the workers in the ESB. I understand it was voluntary and they are being supported.

An additional piece is the impact on communities. That is why a holistic approach to a just transition is required. It is not just the loss of the 100 jobs that is important. The benefit of the pay packets in those communities, the ancillary businesses, the contractors and sub-contractors and the companies that are sole suppliers to the ESB are impacted as well. I accept that Ms King's role relates to the employees, and rightly so, but when looking at a just transition one must look at the entire impact on the communities because there is legislation to deal with redundancies, negotiations and so forth. It is about how we can broaden it to ensure we do not leave massive holes in communities. As Ms King correctly said, it is about engagement by the companies to try to find a way of re-jobbing people who must take the redundancies. Will she comment on the Moneypoint issue in west Clare and give her views on it?

Chairman: Perhaps Ms King will keep it brief in order that the next Deputy can contribute.

Ms Patricia King: I do not agree with the comment that the workers in Bord na Móna are well looked after. That is a myth and we are glad to have the opportunity to say that to elected representatives today. That is the first matter.

The second matter is the notion that redundancy solves people's problems. Our movement has always stood for protecting employment and protecting people in work. If people are made an offer and they decide to accept it that is a matter for them, but we are not advocating that people be made redundant from what was decent work, to be replaced by either nothing or what is very indecent in terms of conditions. Of course, we understand from a just transition point of view the involvement of the holistic nature of the community and so forth. One or two groups have been set up in the midlands to attempt to deal with the wider piece and we will work with those groups.

The ESB is a different animal from Bord na Móna. The ESB has yet to be tested in terms of its workforce and how it will handle the just transition. It is quite capable of absorbing the 70 or 80 jobs that will be lost in Shannonbridge and Lanesborough, for example. We are talking about two different entities. That is not to say the ESB does not have a major role to play in the just transition and in having a plan for that.

Chairman: I must move on to Deputy Jack Chambers who has only two minutes to contribute.

Deputy Jack Chambers: That is fine. I thank all the witnesses for coming before us. Have they had any conversation, formal or informal, with Kieran Mulvey subsequent to his appointment as the just transition commissioner? How has Mr. Mulvey responded on the issue of aligning their objectives with the plans set out by the Government? Is there any scope to amend those plans? That is important because I share many of the concerns about them.

In terms of engagement with the Minister, what has been his attitude to the witnesses' requests for an inclusive forum on just transition?

The Nevin Economic Research Institute, NERI, did an excellent study on just transition, of which I am sure all the witnesses are aware. Would any of them like to expand on that study and how we can align it with the objectives of a just transition?

Ms Patricia King: I will ask Mr. Noone to deal with the Deputy's question concerning Kieran Mulvey. During the course of my career I have probably met Mr. Mulvey too often and he would probably say the same about meeting me.

Deputy Jack Chambers: Does he agree with Ms King on this issue?

Ms Patricia King: I did not meet him on this issue. We had a very strong engagement with the Minister. Subsequent to that, I engaged with the Secretary General and the assistant secretary general of the Department - I understand the Minister ensured that meeting took place - and used the opportunity to insist that Bord na Móna come to the table, participate in the forum and work with us on future plans and current difficulties. I am sharing with the Deputy what happened.

I agree with the Deputy that Mr. Goldrick-Kelly, who authored the Nevin Economic Research Institute paper, has produced a very valuable piece of work on this issue. I will ask Mr. Noone to respond.

Chairman: Does Ms King want Mr. Goldrick-Kelly or Mr. Noone to speak on that?

Ms Patricia King: Mr. Noone will deal with the question on Kieran Mulvey.

Chairman: Mr. Noone must be brief.

Mr. Willie Noone: Within 20 minutes of the announcement that Kieran Mulvey was to be appointed to the position, I contacted him. I have also had a long relationship with him down the years. Mr. Mulvey told me he would contact me as soon as he got the terms of reference. That was on the Friday of his appointment and he was hoping to contact me the following Monday. The terms of reference were announced subsequently but I have not heard from Mr. Mulvey since. That is understandable because unless he wants to talk about football, there is no point in my talking to him.

Chairman: Does Mr. Goldrick-Kelly have anything to add?

Mr. Paul Goldrick-Kelly: I thank Ms King for her comments on the paper I did with a colleague in NERI. Much of its content resonates. There is a need to manage the transition for workers, certainly those in high-risk sectors. There is also a prospective picture of what comes afterwards. That was alluded to in previous questions and we might come to that later in the discussion.

Deputy Marcella Corcoran Kennedy: I thank Ms King for her presentation. Mr. Noone stated there was no point talking to the just transition commissioner. Is that the position of ICTU? I would have thought the just transition commissioner is a very important person and everybody should be talking to him.

Could the witnesses give some examples to show why the Spanish model is working so well? Unfortunately, our withdrawal from using peat for energy generation has been accelerated by An Bord Pleanála's decision not to grant planning permission to the ESB to generate electricity post-2020 using biomass or peat. This acceleration has been as much of a shock to Bord na Móna staff as it has been to anybody else. Clearly, when a company's main client no

longer wants its product, it is a major issue. Very important and challenging decisions must be made. People in the midlands, including County Offaly, are all very concerned about this. I know most of the people working in both companies in my area very well.

Will Ms King elaborate on ICTU's view regarding the ESB workers because the presentation related mainly to workers in Bord na Móna. I ask her to elaborate on her response to Deputy Dooley.

Has ICTU done any work on the shift to greener energy and the types of skills that would be required? This is the direction in which we must go and, as Ms King rightly said, there has been much discussion on this in recent years. During the previous Government, I was a member of a committee that considered this issue. We recommended the establishment of the Climate Change Advisory Council at that point and we also established the Citizens' Assembly in June 2016. Did ICTU have an opportunity to make a submission to the Citizens' Assembly in June 2016? We all need to accept the need to take climate action to make a just transition. All of us in leadership roles, whether in the community, in workplaces or trade unions need to accept this is happening and then move to take action. Accepting that this is the case is very important. Is ICTU facing challenges in getting acceptance from its member unions that climate action is needed and that climate change is taking place?

I seek clarification on a reference in ICTU's presentation in which it describes some of the money for the retrofit programme announced in the budget as possibly being "old money". What is meant by that? The Minister, Deputy Bruton, was clear there will be new money for this from the ring-fenced carbon tax. It would be great to get clarity on that.

Regarding ICTU's comment on the WRC, where does the joint industrial relations council fit in that context? How could that mechanism be used for the benefit of the workers?

Ms Patricia King: I will answer questions on the areas on which I touched and one or two colleagues might quickly deal with the other questions. The joint industrial council is a body that looks after day-to-day issues that may arise and may need a mandatory outcome in terms of a decision. They could be minor disciplinary issues. It has no role to play in the future of anything or in respect of any of the matters arising out of this issue, even regarding the pension scheme. It would not have the wherewithal or capacity to do that. I know that the Bord na Móna management understands that. In the beginning, we allowed a little time to see if this would seep into the system and we spent considerable time offline explaining what it would be about. The WRC is very clear that it was asked not to settle the dispute but to chair a forum. People have confidence in a chairman from the WRC. This is the key element from our point of view of getting all the parties involved.

When someone's job is gone and the P45 has been issued, that person will no longer be a worker in Bord na Móna. We do not have much time to deal with this. We have to do this business while these people are employed in Bord na Móna. We have to get in there now to have those conversations if we are to have any chance of having replacement employment found for people. From that perspective, this is very important.

On the ESB element to which I referred, the ESB is not up at the gap and in the same place as Bord na Móna. By virtue of certain decisions which were made based on other exigencies, the ESB has contributed to timelines and so on that were expected to be longer than they are now. The ESB is a much bigger organisation and has a very different internal infrastructure for dealing with issues. However, it is not excluded from the just transition element. I expect that

if this forum chaired by the WRC works correctly, the ESB could be included at an appropriate point.

I wish to dispel any notion that trade unions are not in favour of climate action. I do not know any members of whom that is true. In fact, we were trying to get across the message on climate change years ago, before it was popular to do so. All credit to the workers in Bord na Móna who, even though they know the ending of the production of fossil fuel means the end of their livelihood as it currently stands, have not posed any difficulty in that regard. However, they are depending on the Government, politicians and trade unions to deliver a just transition that is meaningful and not just a phrase that came from the Paris Agreement or wherever. Based on what I have heard from the people to whom I have spoken, confidence is low in that regard.

Mr. Doyle might comment on the Spanish experience.

Mr. Macdara Doyle: There was a plan in place for the orderly wind-down of the Spanish coal industry, which is located mainly in the north of that country, but it was torn up by the previous Spanish Government in 2013 or 2014. There followed a response from the trade unions and the affected communities in the intervening four years before, in 2018, a deal was agreed between all stakeholders, including trade unions, the Government and both private sector and State employers. The overall plan allows for retraining, reskilling and voluntary retirement. It will also facilitate redeployment within the sector, where such is required, and it is reckoned that some 60% of the workforce will take advantage of that option. There is a similarity between the profiles of the Spanish coal industry and Bord na Móna. The timeframe for the Spanish plan runs until 2027, which is close to the end date of 2028 that was originally envisaged for Bord na Móna. The age profile and size of the workforce is similar in both cases, comprising approximately 1,700 to 2,000 employees. In Spain, an investment package of €250 million has been agreed to create alternative employment in the region.

Chairman: A question was raised about the retrofit programme and whether old funding is being recycled. Will Mr. Goldrick-Kelly comment on that?

Mr. Paul Goldrick-Kelly: That commentary was issued by a colleague. Looking at certain budget lines, the previous commitment, as I recall, was €45 million in total for the smart retrofit programme. The current commitment is divided into two allocations of €20 million and €25 million. Those allocations may well represent additional moneys, but the correspondence between their total and the original allocation makes it hard to discern whether that is the case. It would be useful to have clarity in this regard from the Department.

Ms Patricia King: I ask my colleague, Mr. Noone, to respond to the question on the joint industrial relations council, JIRC.

Mr. Willie Noone: The JIRC is being bandied about by both the Government and Bord na Móna as the means by which we can solve all the difficulties that present. However, Edenderry power station, for example, has no agreement to go under the council. The station is heading into a dispute because the health cover of employees has been taken away as part of a Bord na Móna policy. For years, the company would not allow workers there to go under the council. Furthermore, AES, which is the resource recovery business, does not come under the JIRC and, in addition, does not even come under the group of unions umbrella, because Bord na Móna would never allow it to do so. For the company to say now that the council is an appropriate forum to solve the dispute beggars belief.

Mr. Doyle noted that the just transition framework for the coal industry in Spain includes a facility for redeployment of workers within the sector. We are facing a situation shortly in Edenderry where qualified people working in the power station will be looking for work, and that work will not be in rehabilitating bogs. They may be able to get jobs in other companies, as was mentioned, but we have no forum to discuss that. We also have no forum to discuss the situation of those people who were given their walking papers last Friday without any commitment that training will be given.

The other major issue is that, for the past 100 years, the trade unions in this country operated under a voluntarist code. For the Government to insist that they must go into a binding forum raises difficulties for the trade union movement because there is no agreement to do so.

Chairman: Mr. Goldrick-Kelly sounded somewhat uncertain about the figures he mentioned for the retrofit programme. If he requires, we can seek clarification for him on that point. I do not want any misinformation in regard to funding.

Mr. Paul Goldrick-Kelly: As I understand it, €45 million was committed under the smart retrofit programme. The new commitment for the midlands entails an allocation of €25 million, with a further €20 million allocated to other regional and local authorities. The correspondence between the old allocation and the new raises the question as to whether the old programme is simply being divided up or if additional moneys have been allocated. I do not have the answer to that.

Chairman: We will ask the officials from the Department to clarify that issue at the next session. I thank Mr. Goldrick-Kelly for highlighting it.

Mr. David Joyce: A question was asked about the Citizens' Assembly. We made a submission to the assembly outlining the definition of just transition and the elements that would be crucial to include in regard to climate action. We subsequently had an engagement, approximately a year ago, with this committee with the intention of trying to influence its report on the matter.

Ms Patricia King: I wish to make clear that we are willing to talk to Mr. Kieran Mulvey in his role as just transition commissioner. However, it is made clear in the terms of reference for the role that he does not have any function in regard to industrial relations and workers' issues. Nevertheless, if Mr. Mulvey thinks there is any point in having a conversation with us, we are, of course, willing to have that conversation.

Deputy Marcella Corcoran Kennedy: In regard to redeployment within the coal sector in Spain, what types of jobs are involved?

Mr. Macdara Doyle: The deal was signed in 2018 and is a work in progress. It is envisaged under the terms of the plan that workers will be able to apply to be redeployed within the sector if they require it.

Deputy Marcella Corcoran Kennedy: We are talking about the closure of the coal industry.

Mr. Macdara Doyle: It is the wind-down of the industry over ten years.

Deputy Marcella Corcoran Kennedy: I am trying to figure out how people can be redeployed within the sector. I do not see how it will be possible.

Mr. Macdara Doyle: I am happy to send a copy of the plan to the Deputy.

Chairman: Can Mr. Doyle give examples of jobs to which people have been deployed?

Mr. Macdara Doyle: I will send a translation of the plan to the committee.

Chairman: That would be helpful.

Deputy Marcella Corcoran Kennedy: We are all trying to come up with the correct approach to these matters.

Do the witnesses see a role for themselves in the midlands transition team that is in place? Offaly County Council is the local authority most directly impacted, particularly in respect of its rates base, and it took the initiative in building on from the regional teams. There has been significant collaborative activity with the Laois-Offaly Education and Training Board, for instance, and the programme for workers developed by Athlone Institute of Technology. Is there an opportunity for ICTU or local unions to engage with that group?

Ms Patricia King: We have got agreement to appoint a member to sit on the group. We have argued in various submissions in the past that Athlone Institute of Technology should be made a centre of excellence for reskilling and re-education initiatives. We have a good example in this regard in what was done in the Ruhr Valley in Germany. We intend to have a conversation with the midlands transition team about making Athlone Institute of Technology a centre of excellence for reskilling and the development of alternative employment.

Chairman: Deputy Cullinane is sharing time with Deputy Stanley.

Deputy David Cullinane: Yes, I am taking five minutes and Deputy Stanley is taking ten. I begin with a statement of the obvious in observing that we are not off to a good start when it comes to just transition. I do not disagree with anything the witnesses have said. Certainly, there is a big difference between what is being talked about and what is happening in reality. My first question concerns the closure of the peat-fired stations and the premature decision that was brought forward in that regard. Ms King referred in her opening statement to “the prospect of a planned, orderly wind-down”. That was one of a number of things promised to the workers. They were promised that there would be an orderly wind-down, there would be proper consultation, alternatives would be put in place and what is happening now with the just transition funding and what flows from it would be put in place well in advance of decisions being made. Is that the case? What was promised in terms of the wind-down?

Ms Patricia King: I ask my colleague, Mr. Noone, to respond to the Deputy.

Mr. Willie Noone: The Deputy is correct. In 2016, the group of unions in Bord na Móna agreed a plan, which accepted that peat production would be ceased as part of a phased process. It was agreed that processes and practices would be put in place during the transition to take account of each person’s age and location and the alternative jobs that might be available. None of that came to pass. As Deputy Corcoran Kennedy mentioned, some training schemes were put in place in counties Laois and Offaly and a number of employers came to a fair day. The problem was that Bord na Móna would not allow any of its workers to attend the fair day unless they had signed up to take voluntary severance. Nobody else was allowed to go. No alternative work is being put in place for people. The company is dismissing people and cutting wages as we speak. It cut wages at the peat-processing plant in Kilberry last week. It is advertising jobs at the moment. Those who do not apply for those jobs are being let go. Those who apply

for the jobs are being given one-year fixed-term contracts, which represents a change in their conditions of employment.

Deputy David Cullinane: I want to pick up on a point that Ms King made about Bord na Móna. There was a fear that management was trying to de-unionise the company. When I look at all the ingredients here - the fact that solutions are not in place and the failure of management to engage with trade unions in the forum that was supposed to be established or with the structures - there is a responsibility on this committee to listen, to engage with the Minister and to be forceful on this matter. The Minister tells us in the Oireachtas almost every week that the just transition is up and running and will work and that various supports are being put in place. We are hearing from the unions that Bord na Móna management is not engaging, which is not good enough. I do not know whether this is also the case in the ESB. Perhaps the witnesses can comment on that. Our responsibility is to listen to the expert witnesses, who represent the workers, and to bring their comments back to the Minister. I ask Ms King to elaborate on what she said about her fear that an effort is being made to de-unionise the workforce. She is saying that when the jobs are gone, they are gone. There is no point in talking about what might happen down the road, if there is a possibility the workers will have left at that point.

Ms Patricia King: All of the factors mentioned by the Deputy are strong indicators of the attitude of management. There are jobs that need to be done as part of the wind-down of the organisation, but management is making workers apply for their own jobs, regardless of how long they have been in the place. The refusal of management to take part in any forum is a clear indicator of its stance. Management personnel are relying on the joint industrial council even though they know it is not the answer. I know they know it is not the answer. I know they are taking advice as well. They are taking a certain type of advice and they are following it. The committee must understand that all of the senior management personnel are new. The people with corporate loyalty and understanding are gone. This is a clean-out job. There is no point in calling it anything else. This is too urgent and too serious not to say it as it is. We do not have time to be polite about this. Unfortunately, over the decades I have dealt with many restructurings, which have resulted in all sorts of outcomes. If the WRC were offered as a forum, the management personnel involved would bite one's hand off if they were interested in finding a solution. This group is not interested. That is a very clear indicator of what it is at.

Chairman: I will bring in Deputy Stanley at this point.

Deputy Brian Stanley: I thank the many witnesses for attending the meeting. They have brought the cavalry with them, and rightly so. I can recognise the urgency of this matter. A few weeks ago, Mr. Noone and nine of his colleagues from the group of unions came to Leinster House to meet Deputies. They tried to communicate the message from the unions and the workers to the people who will be affected. As a former worker in Bord na Móna, I understand that. I recall the unionisation process. Ned O'Rourke was involved in a federated rural workers' union. When that was happening, I was not as grey as I am now. We saw the benefits at an early stage. Unfortunately, we are going backwards now.

I would like to pick up on the point about the quality of jobs. Bord na Móna management will say that some of the industries into which they are moving, such as waste processing, are not cash rich and have very low margins. If de-unionisation is happening, I would be concerned about that. I have listened attentively to what the witnesses have said and I have taken their points on board. We need to be careful with regard to pay rates and collective bargaining. If collective bargaining is not nailed down before the workers go out the gate, it is all over. I agree that there is some urgency in this regard. It is a question of what we can do. Deputy Cullinane

suggested that we should approach the Minister. The Minister has some responsibility as the shareholder who acts on behalf of the public. When Bord na Móna was set up, it had a mandate for the economic development of the midlands and to create jobs in the midlands. We need to stick to that.

Ms King has said that the WRC could chair the just transition forum. Does she believe the commission is willing to be involved in it? There is a need for the workers to be represented in some kind of forum. It is not acceptable that they have not been brought in so far. Have WRC officials shown a willingness to engage in the forum?

Ms Patricia King: When I spoke to the director general of the WRC, he said that he wanted this to happen efficiently and quickly. He notified the Department. He had several conversations with officials in the Department. He confirmed in correspondence that he is prepared to put the necessary structures in place. By the way, those structures are not elaborate.

I would like to pick up on the point about future employment. If all of the necessary stakeholders are in the forum, an effort can be made to identify alternative work and deal with the issues raised by the Deputy. If these conversations take place at a plausible forum, those involved can contact the main shareholder on behalf of the State to say that investment is needed. Such a request would not be made on the basis of dud proposals. It would emerge from a forum that is not built on sand, but that is a serious attempt to get a just transition. That raises the question of why Bord na Móna will not do this. I suspect it has no interest in it at all.

Deputy Brian Stanley: The ESB should definitely be there.

Ms Patricia King: Yes.

Deputy Brian Stanley: Coillte should possibly be there as well. There is going to be a role for Coillte in the midlands.

Ms Patricia King: I agree with the Deputy.

Deputy Brian Stanley: There has been no just transition for the workers in County Laois. It is obvious that County Offaly will be heavily affected. It is right that there is no dispute about its status as the most impacted county. We need to continue to push the case for the protection of communities and workers in County Offaly because of the high concentration of Bord na Móna workers in the county. There has been no just transition. I know workers in County Laois who worked full-time in Coolnamona fadó fadó. They now have temporary contracts in Kilberry. Mr. Noone will be familiar with these cases. I am flagging this with the witnesses because I have argued for County Laois workers to be brought into the loop. The Coolnamona plant has not been fully wound down. It is being decommissioned, but there has not been a whisper about it. I have tried to raise it with successive Bord na Móna managers. The unions are fighting a hard battle on this matter. I hope we can approach it collectively. Do the witnesses have any views on it?

I would also like to ask about the quality of the jobs that will be available to workers as they transition into new industries in areas such as retrofitting and recycling, or in the important area of bog rehabilitation. Bog rehabilitation is important and Bord na Móna will tender for much of that work. What are the witnesses' views on that because the companies tendering alongside Bord na Móna will not be unionised? That is part of the problem being encountered. How can that be resolved?

My other question concerns the Spanish case. In her introduction, Ms King said the European globalisation fund cannot be used to provide finance, but can be used for technical assistance with a just transition. Can other sources of funding be availed of at EU level? The PSO levy could be part of this process, but I am wondering about other possible sources of funding. Did Spanish miners employees and employers participate fully in the forum that was set up there? It seems to be similar to the forum on just transition we are discussing for Ireland.

Ms Patricia King: The Spanish example, as I understand it, was an inclusive stakeholder forum and the employers took part. Regarding the European globalisation fund, we think strong arguments should be made in Europe concerning this issue. While the decline and phasing out of the production of fossil fuels is in the public good, that is an exigency that will bring about the end of people's careers through no fault of their own. From our perspective, therefore, there are perfectly good reasons a strong case can be made in Europe for the fund to be used. We think it would appropriate for that to happen, given the impact of the issues involved in climate change and a just transition.

Turning to skills, I am on the board of the National Economic and Social Council, NESC. I met the director of the council regarding Bord na Móna and he went down and met groups of workers. I will state this with great accuracy. The director of NESC told me he was very impressed by the level of skills, which he had heard about and had conversations on. He thought that was very positive regarding redeployment and alternative employment possibilities for the workers concerned. In respect of County Laois, we want this to be an all-inclusive forum. All of the relevant issues, including the impacts on people in the county, have to be on the table for discussion, if that forum is set up.

Deputy Brian Stanley: Some of those workers have 35 years of continuous, permanent employment.

Ms Patricia King: That is correct.

Deputy Brian Stanley: They were then transitioned to Kilberry on temporary seasonal contracts. That is the position those workers have ended up in at the end of their working lives. It is horrendous what has happened to them and that they have been left in that position.

On a related matter, is ICTU actively trying to unionise the new industries starting up in the area?

Chairman: There is only one minute left.

Mr. Willie Noone: I will answer that. We are actively trying to unionise those employments, but it is being made difficult for us. In Littleton, for example, some 45 staff were let go from the former briquette factory. Some 35 new people were then employed in a partnership established with a Chinese company. All those new employees are on one-year fixed-term contracts, however, and their wages are just above the minimum. We are chasing our tail. As soon as we have unionised employees, they are gone in a matter of months and replaced with new employees. Bord na Móna is adept at ensuring that people do not become permanent employees. That is why the employees mentioned by the Deputy in Coolnamona, who were employed for 35 years, are now being offered one-year fixed-term contracts. Those contracts contain provisions that mean there is no recourse to the Unfair Dismissals Act, and those people's jobs are gone after 12 months. We are also told that people in the later stages of their lives, in their late 60s, are those who are going to be retrained and reskilled to do retrofitting.

The Deputy also mentioned the tendering process. Bord na Móna does not have a good track record in tendering for work in the rehabilitation area or from the National Parks and Wildlife Service. Most of the tenders submitted by Bord na Móna have been unsuccessful, so we would not hold much hope that the company will be successful in work that will go out for retrofitting. That is because the people competing and tendering against Bord na Móna are skilled at that work, while the company does not have one person skilled or trained up to that level and no effort has been made to do that. Some two thirds of the workers destined to leave the company have gone and the remainder will be possibly gone by March. That is the reality.

Chairman: I call Deputy Bríd Smith.

Deputy Bríd Smith: I thank the witnesses for their contributions. It is important that they are here. Ms King spoke about the moral and social imperative for policymakers to ensure that the workers in Bord na Móna, and their communities, do not become collateral damage in this process. I assume she was addressing us when making those comments and she was suggesting that this committee has a moral and social imperative to ensure that collateral damage does not happen. We do not have the final say, but a week ago we had a two-hour discussion and statements on what is happening in Bord na Móna. When it was put to the Minister that the company is refusing to go to the WRC, he responded by stating that Bord na Móna is engaging with the joint industrial council. That was it. The Minister refused to answer when asked if he would tell Bord na Móna to go to the WRC. Reference was made earlier to the fact that someone has to tell the management of Bord na Móna to sort this situation out. Would that be the Minister? Should he tell Bord na Móna to get into the WRC and engage in a meaningful way? Do the witnesses think he will, and should, do that? Is that the role of the Minister?

Ms Patricia King: We think it should be the Minister, as the main shareholder in the company, who states that to Bord na Móna, given the way it is behaving and the urgency of this situation. Together with representatives from the group of unions, I spent one hour and 40 minutes trying to convince the Minister that this was the only course of action and that he needed to intervene urgently. Some eight weeks later, that still has not happened. The refusals of the company to engage have become more forthright. As can be imagined, that is highly frustrating for those of us engaged in trying to represent the best interests of the workers. Even on a personal level, I have chased this issue around like a cat chasing a mouse for the past three weeks. I have knocked on all of the doors and some of them opened and some did not. Senior people in Bord na Móna, however, have decided that they are not going to engage and that is it.

Deputy Bríd Smith: If those senior people in Bord na Móna are becoming more entrenched in their view not to go to the WRC, the Minister has spent the past eight weeks obfuscating and not telling them to do so and we have a moral and social imperative to ensure these workers are not dumped on the scrapheap, should this committee write to the Minister? Should we state that, as a result of our discussions and this forum, the committee wants the Minister to tell Bord na Móna to engage in a meaningful way with the workers, the communities and their representatives in seeking a just transition? Would Ms King agree with that approach?

Ms Patricia King: I agree with that and it was one of the things I spoke to the team about before we came in. We are often invited to various Oireachtas committees, but I emphasised that this was one of the most important meetings to which we would ever be invited. There is one message we need to get across and that is precisely what the Deputy has articulated. It is also what I have tried to convey clearly to the committee. There is no time to waste in this situation and what the Deputy stated has to happen immediately.

Deputy Bríd Smith: That should be one of the outcomes of today's meeting. We have repeatedly heard how crucial and urgent it is that this matter be addressed. I agree with Ms King on that. If the Minister refuses to tell Bord na Móna to engage and if the company remains resolute in its opposition to entering talks in the WRC, what course of action is left to ICTU, the unions, the workers and their communities? What else can they do, given that two thirds of the workers have been let go and, as Mr. Noone stated, the other third might be gone by March?

Ms Patricia King: I have to be careful answering that question. As the Deputy will be aware, when one is planning a strategy, one does not reveal it in public. The reason this is becoming more urgent is that the company knows very well how many people are going out of the system. The Deputy knows the consequences of that happening because she knows how the trade union movement operates, having worked in it. I know that too and I will say no more than that. The situation is leading us to a place that will not be a happy outcome and which will be a dismal result for all the workers concerned. It is the reason we are fighting so hard for this matter to be addressed immediately.

Deputy Bríd Smith: That is very good. Recently, members of the Cabinet visited the midlands to reassure and reassert that this was going very well and everything was lovely. What is Ms King's view of this visit? Did it achieve anything?

Ms Patricia King: I did not attend it, although Mr. Noone did. Ministers are always welcome to go and meet the workers and people concerned. From our perspective, that is positive. However, it has not answered the question. Had we received a letter the next day that said that the company was now going to participate in the forum, I would have regarded that as a successful outcome to that visit, but we are still waiting for that.

Deputy Bríd Smith: There are many models from other countries. I think Mr. Goldrick-Kelly was at the NERI presentation.

Mr. Paul Goldrick-Kelly: I was.

Deputy Bríd Smith: He used the model of Germany and Sweden. There are also other models his presentation did not mention. On the Plan del Carbón, I understand that the coal workers affected numerically mirror those of Bord na Móna. Some €250 million was agreed for a just transition plan in northern Spain. Did any of that come from the EU globalisation fund? I am somewhat confused about where funding may or may not be available. Approximately a year ago, the then Minister for Communications, Climate Action and Environment, Deputy Naughten, indicated to us that an application would be made to the fund to help with a just transition. Can we clarify that the current Minister cannot apply, as he told the committee, that it has to be the Minister with responsibility for further education, Deputy Mary Mitchell O'Connor? What is the ultimate purpose of the fund? Is it to send these workers to Athlone Institute of Technology or some other skills college or was the €250 million injected into the Plan del Carbón to help with the pensions, for starters, and, ultimately, the redundancy payments? Is there any other way beyond this State's resources to give help towards the just transition in the midlands?

Ms Patricia King: I do not regard myself as an expert on what happened in Spain but the purpose of getting that forum together is to build all that information, ask all those questions, have all that information provided and have the answers in such a holistic way that we leave nothing behind when it comes to finding the solution and getting the just transition.

Deputy Bríd Smith: It is part of the solution.

Ms Patricia King: I cannot give the Deputy a granular answer but if we had all these people in the room with a commitment to developing a just transition, we would not be long in getting all the information needed to find the desired solutions.

Deputy Bríd Smith: That is it. I thank Ms King.

Deputy Eamon Ryan: Ms King is absolutely right. ICTU and the unions have been involved in the climate issue in a positive way for much longer than many others. It is complicated. We have invited ICTU back next week for a separate meeting on legislative scrutiny of our just transition Bill that would set up a specialist mediation service designed to avoid what we are seeing happening here. However, that is for another day.

I support the call for this to be referred to the WRC quickly. Will Ms King outline the timeline for its work, being specific about its remit or agenda? Why is the company opposed to it?

Ms Patricia King: We are not asking that a dispute be referred to the WRC. We are asking that the good offices of the WRC and its advisory services, which are well equipped to do it and have done it in other companies, would provide a well-equipped chairman to deal with all of the issues arising from the current circumstances in Bord na Móna. Deputy Smith asked about details on the future, on fundings and so on. If that forum was working correctly, it would be inclusive at appropriate times of all the players and stakeholders that need to be at it. That forum would mean everyone could be assured that all the issues I described to the Minister would be dealt with, namely the domestic issues, such as pensions, for current Bord na Móna workers, which need to be resolved, plus all the issues for the future, such as how people will be redeployed, to what jobs, the timeframe for this to happen, the conditions, funding and so on. With the will of all the players in the room, it would be possible to realise a positive outcome.

Without wishing to be emotive, there is a bit of a tragedy about this that people either knowingly or unknowingly are trying to represent this as a dispute to the WRC into which they will not go. This is much broader. It is not wholly but quite unusual. In the past, I was involved in the Bausch and Lomb dispute, for example, where I dealt with one of the best union committees in my experience, for which the WRC put together a forum. Not only did we save the jobs, and we had to do some tricky stuff in the immediate term, but we got that company to commit to engagement and investment. It said it would produce 110 jobs and it did so. That came out of a forum that we had to battle for. I was in the Department in those days trying to convince the person who happened to be the same Minister, and he remembers that. We had to battle for that. It was done out of collective bargaining. The Bausch and Lomb representatives were very clever in their understanding of what collective bargaining meant, how it should work and so on. That was a positive outcome but it could have been a tragedy because had it closed, not only would those jobs have gone but 3,000 to 4,000 ancillary jobs in the area would also have gone. I passionately believe that this is doable. It is highly frustrating for us to struggle to get people involved and into that room with all the information to make this process work, and we will do everything we can to make it work. It is tragic that there are people sitting in rooms who have no interest in the future of Bord na Móna or its workers, in my judgment, making that decision.

Deputy Eamon Ryan: What Ms King describes is similar to the intent of our Bill. In its absence, the WRC provides exactly that multi-stakeholder mediation service. That is why I support it. I attended a conference organised by ICTU in Tullamore some months ago. Congress presented analysis it had undertaken that there were potentially 20,000 jobs in retrofitting.

The committee agrees this has to be done. At separate meetings here and at other committees, there has been a clear understanding that in that sector, no training or apprenticeships or any scale of delivery of retraining or new workers is being brought forward. I cannot recall who mentioned Athlone as a centre similar to what had been done in the Ruhr valley in Germany. Has anyone considered this or discussed with Athlone Institute of Technology a radical change or upgrade of its programmes, training or apprenticeships? This is craft work. It requires particular skills training and development. In the work ICTU has done regarding Athlone, have there been discussions with Athlone Institute of Technology? I have placed the examination of our education system on our own agenda as it is not fit for purpose for what we must do.

Ms Patricia King: I did not have any direct dealings with Athlone Institute of Technology but I did have a direct conversation with key people in NUI Galway, where there are projects relating to wind and solar energy, for instance. NUI Galway could be used as a centre in the west. I think Galway could be utilised on the west of Ireland in terms of becoming a centre and has much more opportunity to invest and to attract investment and so on. I did have a conversation in relation to that. I did have that conversation as well with the director of the National Economic and Social Council, NESCC, where I identified with him that the IT in Athlone should be approached in providing that. Again, on the whole issue about the availability of public transport, as the committee will know, we spoke at that conference about availability of public transport and all of that. That is all part of the holistic piece as to how that should be increased and how all of that should be done in a green way. There is a very good story that could develop out of this, if we could get the players into the right place to talk about it.

Deputy Eamon Ryan: The likes of the multi-stakeholders one might have in the WRC might include educational institutions as well.

Ms Patricia King: Yes. We see them as very much a part of the picture.

Deputy Eamon Ryan: I thank Ms King.

Chairman: I call Senator Alice-Mary Higgins.

Senator Alice-Mary Higgins: I thank and commend ICTU on its presentation and for its work on just transition. What is really notable is the thinking is in that big picture. It is about recognising that this is not a piecemeal set of consequences that happen sector by sector. If we are recognising the massive transition involved in climate action, we need to be planning and reworking our employment, educational and other systems. We can look at our labour relations mechanisms and the role the WRC might play, not just in terms of this transition and this issue, but in terms of how the role of the WRC could provide a model for similar fora in terms of what will be multiple cases of transition. On the idea of centres of excellence, I just want to commend - I know it is not the key subject here - the work on the four-day week, which is recognising that work as we know it is part of just transition and looking at how climate intersects with decent work. Again, that is the big picture thinking.

I am very struck by the small, piecemeal amount of funding that we have going to the immediate crisis in the midlands versus the key area which is the globalisation fund, a discussion at European level where Ireland is not simply a passive actor. Ireland can be a champion for a reframing of the globalisation fund at European level, but also the witnesses might comment on whether at the moment it is only the increase in carbon tax that is ring-fenced in terms of transition and just transition. If the entire amount were ring-fenced, we would be looking at something closer to €500 million and closer to the kind of budget that had been allocated, for

example, to transition on Brexit, rather than €90 million. If one looks at something over €500 million, one is looking at being able to front-load a complete rethink of how we prepare society and the workplace for transition. That is a general comment and I would appreciate any comment on that.

What I wanted to drill into particularly was the issue of the individual versus the collective. Over a year ago, I was sitting on the committee on employment affairs and social protection and talking to the Minister, Deputy Regina Doherty, at that time about the many sectors where we can see it is coming down the line. Perhaps we did not know the scale of it in Bord na Móna, but we knew it was coming down the line in many sectors and that these areas and sectors were about to change, and if supports could be offered to workers while they were still in work. The key issue is we are told that these supports are going to be there, but it seems these supports will be there after one gets a P45 potentially. The answer at the time was very dissatisfactory in that we wait for them to be unemployed and then we will give them supports, but at that point of course it is an individual, and it is an individual who may get education, may get training, may or may not get a job out of that training, versus the kind of collective solutions. That issue of redeployment, which has been touched on here, is key. The witnesses might tease out a little what redeployment might mean in these contexts versus simply retraining after redundancy or indeed new jobs that may be lesser quality jobs, as we have heard very clearly in terms of the contracts that are there. This is in order that when we are quizzing Bord na Móna and ESB, we can be clear on where redeployment should be fitting into it.

Then in regard to that, some of the areas where we are told workers may end up working is in retrofitting or in bog rehabilitation. How important is it that that routeway is planned collectively for sets of workers who are currently employed in Bord na Móna or indeed in ESB down the line, rather than simply that a person may get a skills course and then may get employed by a company that may bid for some retrofitting? There is potential for public service projects such as the rewetting of bogs or retrofitting specifically of local authority housing stock, which has been talked about. We have heard that Bord na Móna has had a poor record in competitive tendering. What routes could we have basically to look for redeployment pathways? I am looking to how we build on that to ensure as far as possible that we are giving an actual collective route and keeping workers possibly at least in the medium term in a collective employment situation and in a collective rights situation.

Ms Patricia King: On this matter of redeployment, Bord na Móna as an organisation has known for a long time that this day was going to come. There is no evidence which suggests that it put in any finite plans to say, when the day comes, X, Y and Z will happen, this group of people will be redeployed here, or it is going to set up this and do that. None of those things is evident. If one is going to talk about where people will be redeployed, one first has to have jobs to which they can be redeployed. That pre-planning, to try to be fair about it, is light if it is existent at all. Therefore, we are saying we need to rescue this. “Rescue” is the word I am using and I am using it deliberately. The key ingredient in bringing that to fruition is the Bord na Móna management and board, who are very important in this, and one has to have a will from them to do it. For reasons I do not understand - I cannot give the committee the answers but if it asks them they may be able to provide the committee with the answers - they have not come to this party. They have not been in that space. They are a key to it and by absenting themselves from this conversation it is making it nearly impossible to bring about what it is we need to bring about. I suggested at the meeting with the Minister a way to rescue it. That meeting took place about eight weeks ago. All the issues of redeployment and of funding mechanisms would be subject to serious consideration at that forum, as well as all the experts, people, advice, in-

formation and everything else. However, one needs people with a will to do it.

If this company's will is to wind down, let people off, break any relationship it has with them and either stay in the game by starting off anew with no unions and lesser wages and all of that good stuff, if that is what it is at - and it is showing strong indicators that is what it is at - then we are a voice in the wilderness on this. We are not going to accept that, so we are taking the opportunity at a very important forum like today to say what needs to happen. If that were to be successful, that means people will have a very strong chance of aspiring to decent work. That means those communities will have a very strong chance of surviving well and there are many positive pieces. It will probably be a combination of solutions. I am not going to sit here; I am a trade union official and I am not an expert in jobs in the green area and if I was I probably would be doing something else somewhere else. However, I do know industrial relations and I have been engaged for decades in this type of work. Sometimes people say that something is impossible and one will never get it. We can get it but one needs the will in the room to get it. The resources are there. The Department has assured me officially that it wants this transition to happen and for it to be positive. I see no reason why we cannot get to the other place.

Senator Alice-Mary Higgins: Just to be clear, it is key that it is in terms of collective solutions rather than simply the individualised solutions typically through the Department of Employment Affairs and Social Protection. I am looking to how we bring back the remaking of our employment support systems in transition for a huge number of sectors. Could the witnesses just comment on the level to which we need to be scaling up and revising our employment structures overall for our employment and social protection supports in sectors that will become vulnerable?

Ms Patricia King: I will not necessarily refer to social protection because that is a big topic, but trade unions are for the collective. That is why the battle happens, because it is much easier for companies to knock down individuals. They have a more difficult job when it comes to the collective. Why is that energy going in to try to get rid of the collective? It is because the collective has some chance of winning. The individual has none.

Chairman: I call Deputy Fitzmaurice.

Deputy Michael Fitzmaurice: I thank the witnesses for their presentation. There are a few things we need to clarify. We met Bord na Móna last year and the year before. A document was given to us called Just Transition and it was to work until 2025 to 2027, and we have met Mr. Willie Noone several times. The rug is being pulled at the moment. We are trying to put seven or eight years into one. It is unfortunate, and I will be very clear on this, that over the last three or four years, parties that would align themselves more to unions than we from the private sector were harping within the Dáil and the Seanad about trying to get rid of peat and fossil fuels while they are now trying to save the world in getting solutions for those poor workers who are facing doomsday. A year ago Donnelly's Coal in Galway - Mr. Noone will be familiar with everything that I am talking about - was Bord na Móna owned. What was the solution? Redundancy. What was done with the workers? Nothing. The Sligo coal yard workers are gone. This is calling a spade a spade but anywhere there was a jobs announcement, it was a redundancy. There was no other solution.

Just transition is not there at the moment. To be quite blunt about it, and we can kick Bord na Móna up and down the road, the ESB has not made enough of an effort to keep this on the tracks, which everyone bought into including all politicians, for 2025 or 2027. That is the total of it. If legislation needed to be changed, or derogations or whatever needed to be done, that

should have been done. My understanding was, and correct me if I am wrong on this, that it was looking at growing herbs and at fish farming. I do not know how much it would solve. I refer to the announcements at the moment. There are people who are 61 and 62 years of age. If they go for redundancy, they are being blocked. If one wants to solve a problem and if there are people who are 61 or 62 years of age, they should get the redundancy package. On where we go with the workers who are there, I think it needs to be clearly stated that if Bord na Móna or any other organisation is talking about rewetting bogs, it is a procurement process. That is it. I with my one digger will come in cheaper than someone who has a group of offices and all the different things. Workers should not be coddled as to the reality that is coming here.

On retrofitting, which has been trumped as €20 million or whatever, if I am from Donegal and I am able to do the job, I am entitled to go for that work the same as anybody else. It is not going to be solely the Bord na Móna workers. I think what needs to be done is that a fund is given to Bord na Móna for the restoration through their own machinery that they have there, because most of these people were driving tractors, were on diggers or were out on the peat harvesters. They were on machinery out in the bog. There was a lot of railroad track to be lifted. There is much rewetting. They will need a bit of training. The figures we have seen, coming from the National Parks and Wildlife Service - this needs to be acknowledged by all - are as follows: €5 million in rewetting, 17 diggers with 17 people, using plastic liners for 240 days along with an engineer and an ecologist doing the different works. We need to make sure that whatever funding comes goes into the bucket for Bord na Móna. If it goes out to procurement then those workers have no future in it. That is the bottom line. If we do not put it into a fund for Bord na Móna with a guarantee that those workers will be kept there until what we were told, 2025 or 2027, then there will not be a just transition at all.

Chairman: Ms King can come briefly in on that.

Ms Patricia King: That is the point of having that forum and there is a small window while there are still workers in Bord na Móna to have that forum to do exactly and precisely what Deputy Fitzmaurice has just said.

Deputy Denis Naughten: First, I want to acknowledge ICTU, Ms Patricia King and the work that they have been doing for a long number of years on the just transition and I contributed as Minister to a number of those debates because the objective was to open up that discussion. On the issue of procurement and of putting a plan in place, whether it is a Spanish template, a German template, a Swedish template, no matter where the model comes from the reality is that if a plan is put in place one can dismiss some of the EU rules on procurement because one is specifically talking about addressing an issue of specific employees. What is key here is not the amount of money. There is much focus on that. The key issue here is putting the plan in place and could the witnesses confirm that is the priority and should be the priority?

We have European Investment Bank funding and the EU coal regions in transition. There are mechanisms there to source funding and to target that funding to employees, but the big void that we have at the moment is a strategic plan to transition from where we are today. We are not going to have seasonal work next spring for the seasonal staff. We are not going to have permanent work for staff at the end of next year and we need to focus on that. I dismiss the comment from my colleague earlier, Deputy Ryan, that Athlone Institute of Technology is not fit for purpose. I fully reject that. I think Athlone IT working with Solas and the education and training boards, ETBs, can play an important role here and are willing to do that. I have a specific question for Mr. Noone. I asked the man sitting in his chair this day last week about the skills register. The ETB representative at the meeting last week said they were only now es-

tablishing a skills register and that they could not get access to employees before that. Can Mr. Noone explain to me why we do not have a skills register, because I had an employer yesterday who was looking for access to that very data because they have an opportunity to reskill some of those staff and provide them with jobs in the midlands?

Finally, I ask Mr. Noone to comment on the accusation that has been made that some staff who want to get out because of their age are now being blocked from getting out and are being blocked from accessing a redundancy package. The reality is there is no future in peat harvesting. There will be work for some staff in rehabilitation and rewetting of the bogs, but surely we should be facilitating any individual who wants to get out and providing them with the opportunities to reskill and maybe start a new business if they so wish.

Mr. Willie Noone: I thank Deputy Naughten. Deputy Naughten has put his finger on the pulse of what is actually occurring here. It is not the quantum of the funds that is the main issue at the moment. We are trying to look for some sort of pathway. Whatever funds are there and whatever the quantum is, and they are obviously not enough, we need to identify those funds going to the workers affected, because at the moment they are going into forums and into committees and the workers who are affected cannot see how they are going to benefit from them.

Deputy Naughten is right about Athlone IT. That has been identified by Congress as being a campus that we believe would be hugely beneficial. The first thing that ESB management did was to bring us in, explain to us how many employees were there at the time, how many they wanted in the future, what jobs were available for them and the timeframe for transitioning those employees across. I have been talking to Bord na Móna for the past six months and I still do not know how many people it will want in any location in three weeks' time. That is how bad it is.

The NESC asked Bord na Móna if it had done a skills audit. It has not done such an audit. Bord na Móna has no interest in matching up the current workforce with what work may or may not be available in the future.

I am glad the issue of age was raised. Bord na Móna has an unwritten rule whereby people work to finish. Anyone over the age of 62, unless it is someone working in a location where there is absolutely no work, will not be allowed to leave under any circumstances. That is fundamentally wrong because statutory redundancy is all that these people would get. Bord na Móna is holding those people hostage because hundreds of them are seasonal workers who have no guarantee of work and are in precarious employment. Bord na Móna is holding on to these employees but will not give a guarantee that, for example, an employee who got eight months' work last year will get eight months' work next year. That employee might only get three or four months' work. These employees are being held hostage.

I encountered a case yesterday where the company refused two people the opportunity to work past the age of 65. The two individuals in question are scheduled to retire next January and February, respectively, and cannot access the State pension. Bord na Móna will not allow them to continue working beyond the age of 65, even though there is still work available and the company has contractors who are going around sites and doing work. This is the farcical position we are in. That is why we are trying to cut it out.

We need to get the funds identified with the workers and we also need a forum. The only argument the company has used about going to the Workplace Relations Commission has been its concern that the trade unions would throw the kitchen sink at the WRC. We agree that there

is no need to do that. In case there is any doubt, we have no difficulty in going to the WRC and dealing with 65% or 70% of the issues. However, in parallel, we need a forum in place to do exactly what the Deputy said about the ESB. We do not believe the ESB has done enough. The company could do more and we still do not know what its plans are for a number of these sites. We do not know what may be available to ESB or Bord na Móna employees on those sites in future. More should be done but we cannot discuss that at the moment because we do not have the proper forum.

Chairman: I thank our guests for coming before us. This has been a worthwhile engagement on which we will reflect in our next session. I will suspend the meeting for a few moments to allow our second group of witnesses to take their seats.

Sitting suspended at 3.52 p.m. and resumed at 4 p.m.

Chairman: Deputy Cowen is deputising for Deputy Mary Butler. We will continue our discussion on supporting a just transition in this second session. Deputy Bríd Smith has a proposal to make. Will we deal with it at the end of the discussion?

Deputy Bríd Smith: Yes.

Chairman: I extend on behalf of the committee a warm welcome to Mr. Tom Donnellan, Ms Anna-Marie Curry and Dr. John MacNamara from Bord na Móna. I also welcome from the ESB Mr. Jim Dollard, Mr. Peter O'Shea and Mr. Senan Colleran. From the Department of Communications, Climate Action and Environment, I welcome Mr. Brian Carroll, Ms Barbara Leeson and Mr. Michael Goodwin. From the Department of Housing, Planning and Local Government I welcome Mr. Paul Benson, Mr. Seán Armstrong and Mr. Laurence Keating.

I advise the witnesses that, by virtue of section 17(2)(l) of the Defamation Act 2009, witnesses are protected by absolute privilege in respect of their evidence to the joint committee. However, if they are directed by it to cease giving evidence on a particular matter and continue to do so, they are entitled thereafter only to qualified privilege in respect of their evidence. They are directed that only evidence connected with the subject matter of these proceedings is to be given and they are asked to respect the parliamentary practice to the effect that, where possible, they should not criticise nor make charges against any person, persons, or entity by name or in such a way as to make him, her or it identifiable.

Members are reminded of the long-standing ruling of the Chair to the effect that they should not comment on, criticise or make charges against a person outside the House or an official by name or in such a way as to make him or her identifiable.

I now invite Mr. Donnellan of Bord na Móna to make his opening statement.

Mr. Tom Donnellan: I thank the Chairman and committee members for this opportunity to come here today and outline our just transition plans. For Bord na Móna, delivering a just transition is central to achieving an enduring climate action solution for Ireland and a positive outcome for our employees. Last year, we briefed the committee on our brown to green strategy, which gradually repositions our company away from peat towards renewables, recycling and other low-carbon businesses. At the time, I made clear this transition was dependent on the successful conclusion of the ESB's plan to co-fire its two midlands power stations with biomass and peat from 2020. We had prepared for an eventuality where the stations would not co-fire. This became a distinct possibility following An Bord Pleanála's decision to refuse planning permission for the west Offaly station.

In response, we worked with our Department, the ESB and our stakeholders to develop a just transition plan for our people. This plan offers a choice between redeployment opportunities within Bord na Móna and, for a limited number, an option to leave. It avoids compulsory redundancies.

I compliment everyone involved in concluding the recent peat supply agreement between ourselves and the ESB. This avoids an immediate end to peat operations when the PSO expires in December and guarantees continued peat supply employment through next year.

The plan we announced on 16 October accelerates elements in our brown to green strategy and looks beyond the closure of the ESB stations to the next few years when our peat harvest will reduce by approximately 93% from a recent high in 2013. To achieve our objective of sustainable employment, Bord na Móna will invest €1.6 billion over the next ten years and will create 100 new jobs and 150 indirect jobs in the development of renewable energy assets, 100 new jobs in new recycling operations, another 150 to 300 potential new jobs in new green businesses from our herb, birchwater and aquaculture projects and 210 redeployment opportunities in an accelerated and enhanced peatland rehabilitation programme.

The programme of rehabilitating our bogs will be supported by the PSO funding that the Minister and the Department recently announced and are progressing. We are developing detailed plans, which will be communicated to staff in the coming weeks. Our initial analysis has identified bog areas in five counties that will deliver 210 redeployment opportunities for our employees broken down by area as follows: 75 roles in the former Blackwater group of bogs in south Roscommon, east Galway and west Offaly, 30 roles in the Boora bogs in west Offaly, 54 roles in the Moundillon group of bogs in north Roscommon and Longford and 51 roles in Derygreenagh bogs in east Offaly and Kildare. In addition, the funds allocated in the budget for the rehabilitation of the National Parks and Wildlife Service peatlands means there is potential for further job opportunities for our employees. I consider Bord na Móna to be well positioned to tender successfully for at least some of the contracts for this rehabilitation activity.

Together, these will form a peatland rehabilitation programme of international importance that will yield significant benefits for Ireland in terms of biodiversity, carbon emissions mitigation and carbon sequestration. The investment programme and rehabilitation plans mean that people impacted by recent decisions will have a choice to be redeployed across Bord na Móna either into rehabilitation or our new business projects. For those who may wish to leave our company, we are allowing a limited number of new applications for our voluntary redundancy scheme. Training and reskilling was a priority of our transition programme last year, when we had 1,000 attendees at more than 100 courses and training events offered by the company.

Our comprehensive employee supports programme is open to all impacted employees. It is already under way and has been extremely well received by people across the company. Among other measures it includes training support open days and crossroads workshops. A total of 590 attendees have so far participated in more than 25 events, with 40 more events scheduled for the coming weeks. A training skills audit and analysis for every impacted employee is under way for more than 150 people. A retrofitting training programme is being designed with the assistance of the local education and training boards.

Some of our people have voiced concerns about the health of our pension schemes in light of recent developments. I have confirmed to our employees that these schemes are funded in line with the appropriate standards and the most recent actuarial assessment. I reiterate this to the committee and note it was made possible by additional contributions of more than €40 mil-

lion by the company in recent years.

Bord na Móna welcomes the just transition announcements in budget 2020 and looks forward to working with the just transition commissioner, Mr. Kieran Mulvey. We will continue to work with all involved in the midlands regional transition forum, the Department and all our stakeholders. I also acknowledge the assistance we have received from the Minister and his officials in support of our plans. Decarbonisation represents a profound change for our country, for Bord na Móna and for our employees. A decade ago, peat accounted for 90% of our revenues. We are financially resilient and able to grow and transition our business. By 2025, 80% of our revenue will be from green, low-carbon, sustainable businesses, all in support of key climate and national policy objectives. I believe our plans for sustainable employment, employee choice and retraining are all key elements that demonstrate that a just transition is a reality for Bord na Móna's people.

Mr. Jim Dollard: I thank the Chairman for the invitation to appear before the committee this afternoon to share the ESB's perspectives on the just transition. Specifically, we will cover the ESB's generation from peat in the midlands and our recent decisions, the just transition and the ESB's ongoing commitment to the midlands region.

The ESB has been involved in the generation of electricity from peat for more than 60 years in eight different counties. Early this century, the last of the milled peat stations at Shannonbridge and Lanesborough were decommissioned and replaced by the more modern plants on the sites that exist today. Between them they have the capacity to generate approximately 250 MW of electricity. They are underpinned by a PSO which recognises that the cost of electricity production from peat, then and now, is and was more expensive than competing forms of generation. That PSO, which ensured the commercial viability of the stations, expires in December 2019. In addition, the planning permission for both stations will expire at the end of December 2020.

In the period since these stations were commissioned, climate change has come to the fore of public policy, internationally and nationally. It has been clear for some time that peat could not continue indefinitely as a fuel for electricity generation. Recognising that reality, the ESB developed a strategy to secure a long-term future for the midland stations by progressively converting both stations away from peat to renewable power production using biomass fuel. As part of this process, a planning application to transition the Shannonbridge plant from peat to biomass was submitted to An Bord Pleanála in November 2018. Despite the best efforts of the ESB in supporting our proposal, this application was rejected in July 2019.

Since then, the ESB has undertaken a review of the options for both stations after 2020. Having considered the key planning, climate and commercial issues associated with peat and biomass, the ESB has concluded, regrettably, that there is no model for these plants that is feasible beyond 2020. As a result, we announced on 8 November 2019 that both stations will cease generation of electricity at the end of December 2020. This is a matter of significant regret for the ESB as our generation business has had a long association with the midlands and was an important enabler to social and economic development over many years.

We have now started the process of engaging with the 80 people employed in these stations in order to prepare for an orderly closure. The ESB has closed stations before and we have well-established processes and procedures to address the difficult matters that arise for our staff. Our first priority will be to engage with our colleagues at the stations. I confirm that we will be providing all our colleagues with redeployment and severance options. I expect, based on early

indications, that a significant number of our staff - more than half - will seek redeployment to other roles within the ESB Group. I also expect they will be successful as we will offer these staff roles elsewhere within the group. I expect the remainder will want severance but that matter has yet to be discussed with the staff. We have yet to engage with them formally but those are the initial indications. To an extent, this is an in-company version of a just transition.

With regard to just transition, on an international and national level, the just transition concept has been developing over the past 24 months at European Union level and is still being discussed in the complex negotiations on the multi-annual financial framework, MFF, between the European Commission, the European Parliament and member states. Initial indications are that the EU just transition budget will be in the order of €5 billion. The intention, as we understand it, includes providing assistance to regions that are transitioning from coal-based industries or related, high carbon-emitting industries. Recently, the Minister for Communications, Climate Action and Environment, Deputy Bruton, confirmed that the midlands will be recognised as a region in the process. This is to be welcomed. For our part, and in recognition of our long-standing engagement with the region, the ESB announced a €5 million contribution to a just transition fund for the midlands, which will complement the Government's contribution of €6 million announced earlier in 2019.

With regard to the ESB's ongoing commitment to the midlands region, the company recognises that the recent announcement will impact on the midlands region. This, however, does not mark an end to the ESB's long relationship with the region. While I speak today as director of generation, I will also set out the broader ESB footprint in the midlands, which include ESB Networks depots in Athlone, Ballinasloe, Longford, Mullingar, Portlaoise, Roscommon and Tullamore. More than 400 colleagues work from these locations. Our national training centre in Portlaoise has 43 staff providing training to 280 apprentices from all over Ireland. Over the past three years, ESB Networks has invested some €175 million in operating and developing the electricity network in the midlands. This supports the economic development of the region. An ESB national payroll hub is based in Tullamore and ESB fisheries, based in Belmont and Lanesboro, support leisure and tourism facilities on the River Shannon. The ESB owns and operates several renewable energy wind farms across the midlands, each of which contributes significant revenues in local authority rates and provides appropriate community gain funds. This week, we are announcing the latest annual disbursement of wind farm community grants to communities in counties Leitrim, Roscommon and Sligo. We are ambitious for the midlands region and its economy in the future. The ESB is actively exploring options in investing in renewable energy projects in the region. SIRO, our joint venture with Vodafone, has brought fibre broadband to 50,000 homes and businesses in many towns across the midlands region.

Despite our best efforts, the ESB was unable to secure a viable future for our two stations at Shannonbridge and Lanesboro beyond 2020. This marks the end of an era of ESB peat generation in the midlands. We very much appreciate the commitment of our colleagues and the support of the broader community over many decades during which the ESB, in strong collaboration with Bord na Móna, played a key role in the development of the economy of the midlands. We are committed to an orderly closure of the plants and we will commence formal engagement with our colleagues on the details of these closures in the coming period.

We also welcome the appointment by the Government of the just transition commissioner, Kieran Mulvey. Mr. Mulvey has a vital role in ensuring a co-ordinated and effective approach to just transition for communities and workers affected. We look forward to working with him. To help with this work, we are contributing €5 million to the just transition fund for the mid-

lands in addition to the €6 million provided by the Government.

The ESB is proud of its association with the midlands. We will continue to invest in the region as we move, in the coming years, to ever more sustainable means of electricity production and delivery for all our customers. Go raibh maith agaibh go léir.

Mr. Brian Carroll: I thank the committee for the opportunity to address it today. The Government's climate action plan, published in June this year, identifies the need to plan appropriately to ensure that those most affected by our transition to a low-carbon, climate-resilient society are supported and equipped to contribute to this transition. The climate action plan recognises that the level of change required to decarbonise Ireland's economy cannot be avoided and taxpayers cannot compensate for the many actions that must be taken. It is essential, however, that the burdens borne are seen to be fair and every group is seen to be making an appropriate and fair level of effort. This will be essential to maintaining the high level of political and civic consensus that has been built through the work of the Citizens' Assembly and in the Oireachtas Joint Committee on Climate Action.

In its report, published in March this year, the joint committee identified as a central concern the need to ensure that climate action is fair and vulnerable citizens, workers and communities are protected. The committee also highlighted the importance of exploring opportunities to green existing jobs and to create new jobs in areas such as energy retrofitting for buildings, sustainable forestry and peatland restoration. These are also core objectives of the climate action plan. The Government has committed, through the climate action plan, to achieving an increase in electricity generation from renewable sources from 30% to 70% by 2030. This is supported by a commitment to an early and complete phase-out of peat and coal for electricity generation, the replacement of this with increased generation from onshore wind, and the development of offshore wind. This will significantly reduce our CO₂ emissions from electricity generation and put Ireland on the necessary pathway for complete decarbonisation of the sector by mid-century, in line with Ireland's commitments under the Paris Agreement.

The Government recognises that this will have a significant impact on the workers in these carbon-intensive sectors, their families and the midlands as a whole. It has, therefore, committed to delivering a whole-of-government approach to addressing this challenge and working with local stakeholders to ensure that people impacted can best be supported. In this context, the Government has prioritised a number of initiatives in the context of budget 2020, including €6 million for a just transition fund targeted at the midlands to support the retraining and reskilling of workers and assist local communities and businesses in the region to adjust to the low-carbon transition. In recognition of its long-standing relationship with communities in the midlands, to which Mr. Dollard referred, the ESB has agreed to contribute an additional €5 million to this fund, bringing its total value to €11 million. While details of the allocation of this fund are still being finalised, it is expected that it will support retraining and reskilling workers and will assist local communities and businesses in the midlands to adjust to the low-carbon transition. There will be further consultation with the structures in place in the midlands, including the midlands transition team, on the application of the funding.

An allocation of €5 million will be made to the National Parks and Wildlife Service bog restoration and rehabilitation programme to restore 1,800 ha of bog to their natural habitat, ensuring the return of these bogs to carbon sinks once again. The will create between 70 and 100 jobs. A sum of €20 million will be targeted at the midlands to deliver a new model to group housing upgrades, as set out in the climate action plan. This will support an estimated 400 direct and indirect jobs and deliver a significant upgrading of the social housing stock in the region.

To ensure the theme of just transition is sustained on a consistent basis, the climate action plan provides for the establishment of a just transition review group in the National Economic and Social Council. The objective of this group will be to review the ongoing transition and identify specific transition needs among cohorts of workers, enterprises, communities and specific groups of people. The Department has also been engaging with the European Commission to explore the potential for a support scheme, funded through the public service obligation, for the enhanced rehabilitation of the Bord na Móna bogs over and above what Bord na Móna is obliged to do under its EPA licences. The proposal is to fund a scheme for the enhanced rehabilitation and restoration by Bord na Móna of its peatlands that have been used for harvesting peat for electricity generation. On 8 November last, the Government announced the appointment of Mr. Kieran Mulvey as just transition commissioner. The purpose of the commissioner is to provide a co-ordinated and effective approach to the just transition for communities and workers affected by the ending of peat harvesting for power generation in the midlands region. The terms of reference for the office of the just transition commissioner have also been published by the Minister and the details in respect of the appointment are being finalised.

Chairman: I thank Mr. Carroll. I now invite Mr. Armstrong to make his opening statement.

Mr. Seán Armstrong: I thank the committee for the opportunity to address it on the topic of a just transition. I am joined by my colleagues, Mr. Paul Benson, principal officer, and Mr. Laurence Keating, assistant principal, from the social housing delivery division.

I would like to say a few words about Project Ireland 2040, which the Government launched last year. It sets a number of ambitious climate action objectives specific to the built environment sector, including delivering more sustainable growth of compact and connected cities, towns and villages. Greater energy efficiency is a key benefit of this type of compact growth. Compact growth also encourages the reuse of existing buildings.

Over recent months, we have been implementing our Department's actions under the climate action plan across multiple areas, particularly the built environment. We are driving a number of actions that will contribute to energy-efficient housing. These include the implementation of regulations to introduce nearly-zero energy dwellings and major renovations to existing dwellings to a building energy rating, BER, of B2, or cost-optimal level, from 1 November 2019. A circular issued this year to local authorities for phase 2 retrofitting, which covers support for external wall insulation and renewables, including heat pumps.

I will first focus on what we are doing to achieve nearly-zero energy buildings, NZEBs, in new dwellings. From 1 November of this year, all new dwellings commencing construction will be NZEBs, subject to transitional arrangements. Under the previous regulations, a typical new dwelling was built to an A3 BER. The NZEB requirements will equate to an A2 BER. This represents a 70% improvement in energy efficiency and a 70% reduction in CO2 emissions compared with 2005. It also introduces 20% renewables as a percentage of the total building energy use. An analysis of Central Statistics Office, CSO, data shows that 98% of dwellings built since 2015 have achieved an A rating.

With existing buildings, the challenge is inevitably more difficult. The energy performance of buildings directive, EPBD, requires that where a building is undergoing a major renovation, the whole building should be brought up to a cost-optimal level insofar as that is technically, functionally and economically feasible. Our technical guidance documents provide detailed guidance in respect of how this can be achieved in practice for buildings undergoing a major renovation. The performance levels have been set to be proportionate to the original cost of

works and ambitious but realistic so as not to create an unintended barrier to renovation. Of course, building regulations will not increase renovation rates in and of themselves, but they will ensure that, when renovations are carried out, they are carried out to this level - typically a B2 rating or the cost-optimal equivalent.

Regarding social housing, funding of some €139 million has been provided since 2013 to improve energy efficiency and comfort levels in more than 70,000 local authority homes. In addition, energy-efficient measures have been incorporated into the 9,000 plus vacant social housing units that have been returned to productive use since 2014. This effectively means that over 50% of our social housing stock has been energy retrofitted. While energy efficiency activity had traditionally been focused on the refurbishment of vacant properties, the current energy retrofitting programme, launched in 2013, was aimed more broadly at the social housing stock, especially to improve the energy efficiency of older apartments and houses by reducing heat loss through the fabric of the building in order to improve comfort levels and address issues relating to fuel poverty. This programme has two phases. Phase 1 focused on the lower-cost improvements, such as cavity wall and attic insulation. Phase 2 is now targeting higher-cost measures, for example, fabric upgrades, glazing, etc. While many local authority dwellings have undergone shallow retrofits in phase 1 of the social housing retrofit programme, there remains significant opportunity for further retrofit of these dwellings by installing heat pumps, external insulation and energy efficient windows.

The retrofit task force is developing the framework for the midlands retrofit programme. The Department is engaged with local authorities on an ongoing basis in respect of retrofitting programmes and is planning to meet relevant midlands local authorities in the coming weeks. The midlands scheme will act as an economic stimulus for the region as well as resulting in an improved overall housing stock.

We are working hard to address climate change in the built environment through planning policy, building regulations and retrofit of social housing. Through these policies we are ensuring that the quality of the homes we are building and retrofitting for future generations continues to achieve the high standards we are setting for decarbonising our built environment.

We will be happy to address whatever questions members may wish to pose.

Chairman: I thank Mr. Armstrong. We will start with the Fianna Fáil group. Is Deputy Cowen sharing his time with Deputy Jack Chambers?

Deputy Barry Cowen: Yes.

Chairman: Will I stop Deputy Cowen after seven minutes?

Deputy Barry Cowen: We will see what we can do. There are four groups before us and I have questions for each.

I will start in reverse order with Mr. Armstrong. It is contended that each retrofit could cost €50,000. Is that true? He might answer the questions later, as I want to get through all of them. In Offaly, 40% of households burn peat. The figure nationally is 5%. What opportunity can the retrofit programme offer all sectors as opposed to just the social sector? I would have expected this to be incorporated in any just transition programme. If that is not the case, it should be. What about the statutory instrument produced this year that the High Court found against recently? If not acted on, that decision could result in the loss of many more jobs in horticultural peat.

Turning to the Department of Communications, Climate Action and Environment, there is a muddying of the waters in that there is a just transition for the workforce and for the region. They should be separated, but brought together where possible. The suggestion made by the union at our earlier session was a sound one. The WRC could be used as a forum to address many of the industrial relations issues, which we are led to believe are not being solved adequately. That is a fact. There were many changes in Bord na Móna down the years. We lived with them and bought into them, and the region prospered because of it. A consensus being arrived at between the relevant stakeholders allowed progress to be made. For example, Shannonbridge, Lough Ree and Edenderry were used to replace the previous plant. We would have expected a longer lifespan thereafter, but that has not been the case.

I am sorry that the CEO of the ESB could not be present. He should be, but if he cannot, then he cannot. It is unfortunate if that is the case. I acknowledge the comments on the contribution being made to community gain. That is something for the Department of Housing, Planning and Local Government to be conscious of, too. It is near time that a process was set in legislation by which permissions could be conditioned to make funds available to local authorities for their dispersal in line with their development plans rather than relying on the goodwill that we have expected of the ESB or Bord na Móna heretofore. There is no structure to that, but there needs to be one. I am conscious of local authorities' rate bases. To be parochial, my county could lose up to €40 million over the next ten years when we believed we were going to gain €60 million if the transition payment was annual and retraced the funds from the carbon tax that were already in revenue resources. It is not just an increased amount. Rather, we must pull it back over time for its intended purpose.

My next point is for the ESB, but the Department of Communications, Climate Action and Environment can take note of it. I am surprised that Government policy was not adhered to in the decision taken by An Bord Pleanála. No effort was made by either party to insist on a new application to address that. Government policy was left behind and thrown to the side. I am told that a judicial review could only have been sought on a point of law in respect of the planning process. I contend that the best point of law would have been that Government policy was not adhered to in the planning process or taken into consideration when arriving at a decision. Government policy is the democratic process at work. An Taisce does great work, and I compliment it on much of the work it does, but it is merely an advisory body. It is not a democratically elected body answerable to the people to whom I and the Government are answerable. That should have been to the forefront of everyone's concerns when they were looking at this decision.

On Bord na Móna, we need clarification on the future of the Edenderry power station and of the briquette factory in Derrinlough, and on how long these rehabilitation jobs will last. I need clarification from the Department on whether the PSO will fund the rehabilitation of the bogs as they become useless as regards resourcing to the plant. Will the PSO be used to go beyond the onus on Bord na Móna as it is currently constituted? Can Bord na Móna confirm that reserves of €20 million for that purpose are already in place in the books, which should have been the case in any event?

I refer to the funding that may be available from the EU in respect of the carbon regions in transition, as they are now known. There needs to be a meeting of minds as to the purpose of that application because I have heard that is for rehabilitation also. Are we looking at the workforce and the regions? There are templates in other countries that have been mentioned where a similar pathway could be found for funding and its direction thereafter. I refer to the length

of time the jobs referred to will be retained.

On the Bord na Móna pensions, currently, there are 2,000 pensioners. Many more have come on stream weekly and monthly in recent months and will come on stream into next year. Can the witnesses state categorically that the pension has the capacity to meet its obligations? The workforce and pensioners need to know that.

Chairman: Can I let the witnesses respond? I am conscious of the time.

Deputy Barry Cowen: I have two further questions.

Chairman: I ask the Deputy to be brief.

Deputy Barry Cowen: Let us kill the myth about the commitments that were made in respect of retrofit. With all due respect, Bord na Móna has no remit to retrofit. The best of luck to whoever tenders for that. Some jobs in the region may well be garnered out of it but unless the Government or the Department has the capacity to change the remit associated with Bord na Móna, that cannot happen.

In respect of rehabilitation, Mr. Donnellan said that 100 jobs will be retained in Blackwater and other bogs. I repeat; for how long will they be retained? We had the unions before the committee previously talking about contracts for one year for certain members of the existing workforce. If 100 jobs are to be retained, for how long will they be retained or when will they be lost?

Chairman: The questions were to different groups. Who would like to come in first?

Mr. Seán Armstrong: The first question was on the €50,000 to retrofit a dwelling. We have carried out a cost optimal study on the retrofit of dwellings. It is a 2018 study; it is published on our website. The costs for typical dwellings were in the range of €21,000 to €39,000, depending on the dwelling type, its original condition and the works that needed to be done.

For local authority housing, we are seeing typical costs of approximately €30,000 to €35,000. That will depend on the condition of the house, the works that need to be done and the works that have already been done on the house.

With regard to supporting the retrofit of private homes, the concept of the midlands retrofit scheme is that, in terms of the economies of scale, the €20 million will create clusters of houses and it will be possible to align private sector housing with the social housing and create economies and clusters, thereby making it easier to retrofit those clusters of houses and create an economic stimulus. The Sustainable Energy Authority of Ireland, SEAI, has responsibility for the private scheme and the Department has responsibility for the social housing scheme. The concept is that we would cluster those dwellings together.

Deputy Barry Cowen: Could Mr. Armstrong answer the question about planning, statutory instruments and the horticultural sector?

Mr. Seán Armstrong: With regard to planning, my understanding is that that is to do with a consent process. I do not have the detail on that. It is a matter for the entity that needs to get those consents to work, if we are talking about the same issue.

Deputy Barry Cowen: The court case found against the provisions in the statutory instrument which, if not addressed by the Department, put up to 4,000 or 5,000 agricultural jobs at

risk come harvest time early next year. There needs to be an effort on the part of the Department to inform us of how that will be addressed.

Mr. Seán Armstrong: My understanding is that legal advice is being sought on that. We are awaiting the legal advice before we have a clear path on that.

Chairman: Does Mr. Carroll want to come in?

Mr. Brian Carroll: One of the first points the Deputy raised related to the just transition being for the region, as well as the workers.

Deputy Barry Cowen: It is about the conflict arising between the two, which appears to be emerging.

Chairman: Allow Mr. Carroll to answer the question.

Mr. Brian Carroll: The intent of Government policy is that it is for the region. The supports I outlined in my opening statement - the €6 million to the just transition fund, the €5 million to the National Parks and Wildlife Service for bog remediation and the €20 million to deliver the new retrofit model - are very much aimed at the region. The case of Bord na Móna is the main instance of it within the region.

The Deputy asked about the PSO. That is additional money. We are engaging with the European Commission to explore the possibility of having a support scheme funded through the PSO for enhanced bog rehabilitation. That would be additional money to what was provided for in the budget. It would be money coming from the PSO to remediate bogs.

Deputy Barry Cowen: As it stands, therefore, we cannot definitively say Bord na Móna can do the work it wants to do in respect of rehabilitation until that money is in place, and it is not in place. It is an aspiration at this stage.

Mr. Brian Carroll: Some €5 million is already provided in the budget for remediation.

Deputy Barry Cowen: That will not do what Bord na Móna wants to do.

Mr. Brian Carroll: This is additional money that will be provided to do further remediation works.

Deputy Barry Cowen: We will certainly be-----

Chairman: The Deputy cannot keep interrupting.

Deputy Barry Cowen: I am sorry but this region is under immense pressure and we need some answers.

Chairman: I know, but the Deputy is getting the answers. Allow Mr. Carroll to answer. Does Mr. Carroll have anything further to add?

Mr. Brian Carroll: There are also obligations on Bord na Móna under existing Environmental Protection Agency, EPA, licences.

Deputy Barry Cowen: They will be much more limited than what Mr. Carroll is proposing. They would merely close the drains. That is its obligation.

Chairman: Does Mr. Goodwin want to come in?

Mr. Michael Goodwin: On the bog rehabilitation programme, we are talking to the European Commission about being able to provide additional funding over and above what Bord na Móna is required to do under its EPA licences. Bord na Móna is required to decommission and to rehabilitate to a certain extent. We are looking for additional funding for enhanced rehabilitation and restoration of the bogs, which would be over and above what Bord na Móna is required to do under the licence.

Deputy Barry Cowen: How much will that funding amount to? Does the Department have it yet? When does Mr. Carroll expect the Department will get it because commitments are being made on the basis of-----

Mr. Michael Goodwin: We do not have it yet.

Deputy Barry Cowen: The Department does not have it.

Mr. Michael Goodwin: We are talking to the EU Commission about it. The Minister gave a commitment on this, both when he was in the midlands last week and at other times. He has committed to providing funds for enhanced rehabilitation of bogs.

Deputy Barry Cowen: How much in funding?

Mr. Michael Goodwin: The figure that has been mentioned that would cover the enhanced rehabilitation of bogs is approximately €60 million. Over a number of years we would look-----

Deputy Barry Cowen: At this stage, we are no more than hopeful.

Mr. Michael Goodwin: I would say more than hopeful. We had meetings with the EU Commission and it was positive towards the rehabilitation of the bogs because it is in the national interest, and in the public interest, that the bogs would be-----

Deputy Barry Cowen: We all agree with that.

Chairman: There are three minutes left in the entire slot.

Mr. Michael Goodwin: Yes, and that there would be a significant commitment to climate action being developed as carbon sinks and for carbon sequestration. We had a very positive meeting with the EU Commission. It is quite disposed to it, so we would hope that it would be successful.

Deputy Barry Cowen: I asked about the ESB. On the plant, we cannot allow the plant to be decommissioned or taken down brick by brick. What is Mr. Dollard's opinion on that?

Mr. Jim Dollard: The first question related to the planning application and its compliance with Government policy. An Bord Pleanála is the institution of State responsible for planning decisions of this nature under powers awarded to it by the Oireachtas. We are very disappointed with that decision. We studied the An Bord Pleanála decision very carefully. The Deputy is correct in his assertion that the basis of challenge is very limited. It is primarily on process and whether it was followed correctly and not the substance of the decision, irrespective of the policy compliance, or not. We examined this carefully and we took advice from our internal legal experts, expert planners and two senior counsels and the view from all of them was that we had no basis for further challenge on this decision given the powers of An Bord Pleanála.

Deputy Barry Cowen: Is it possible to submit a new application, taking cognisance of the

conditions associated with the refusal?

Mr. Jim Dollard: I do not believe there is any basis for a future planning application on the basis of the rejection by An Bord Pleanála, unfortunately.

Deputy Barry Cowen: We will agree to differ. On decommissioning of the plant, is it still the intention to take it down brick by brick such that what remains will be a brownfield site?

Mr. Jim Dollard: Following on from the decision by An Bord Pleanála, we are left with the difficulty that there are no fuels that are suitable to be burned in a plant of this configuration. It is unlikely we would get planning permission for any configuration that requires biomass or peat. The plant is unsuitable for any other type of fuel. It is a solid fuel burning plant.

Deputy Barry Cowen: Is it not the case that when it was built 15 years ago at a cost of €450 million for both stations, it was designed, supposedly, in a way such that it would have capacity to burn other alternatives when we arrived at this juncture ten years hence?

Mr. Jim Dollard: Its primary purpose is to burn solid fuels. We have carefully examined the possibility of burning gas at the plant. Technically, the plant could burn gas but it would be uneconomic. It would burn gas at close to a 35% to 36% efficiency rate. A modern high-efficiency plant would burn gas at close to 60%, such that to burn gas at this plant would be inefficient. Also, in terms of an ability to stop and start in a renewables world, this plant would take a long time to stop and start. It would not be able to respond in a renewables world. It is not an appropriate plant for gas burning.

Deputy Barry Cowen: I note one of the conditions of permission is that the plant be demolished. Is that the plan?

Chairman: I am sorry Deputy Cowen but we are short on time and I must move to Deputy Jack Chambers. Deputy Cowen can get further clarification on issues later if he wishes.

Deputy Jack Chambers: The witness from Bord na Móna might respond to Deputy Cowen's question in my time. As mentioned by Deputy Cowen, there is a disparity in regard to the pensions. Will the witness clarify that there is certainty in that regard? It was stated earlier that the pension scheme meets appropriate standards in the most recent actuarial assessment. There needs to be certainty around the viability of it post 2020. We need assurances in that regard.

My next question is to the officials from the Department of Communications, Climate Action and Environment. Is the Department meeting all of its targets and actions? For example, has it developed a plan to ensure the grant schemes, new finance plans and delivery systems are integrated for quarter 3 of this year? Are there delays in regard to achieving its targets under the climate action plan or are they all running to time?

Mr. Tom Donnellan: There has been much commentary with regard to pensions against the background of the closure of Bord na Móna and default on pension schemes. There is nothing further from the truth. Bord na Móna will be in existence for the foreseeable future. The pensions are well funded. There are two main pension schemes, a regular scheme and a general scheme. The regular scheme, which represents approximately 75% of the retirees and workers, is in a very strong position in that it is in surplus. We received independent reports last week from the actuaries which confirm that it meets all of the funding requirements and standards in that regard. The general scheme represents the remaining 25%, approximately, of the workforce. This scheme has struggled. We engaged with the trustees of this scheme three years ago

to put in place a refunding programme, which involved the company pumping €40 million into the scheme to get it up to minimum funding standards. We are continuing to pump in that €40 million, with €5 million paid in May of this year and a further €7 million to be paid next year. The actuaries reported last week that it is on track to meet the funding requirements as it goes out.

The pensions are in good shape. Bord na Móna is in a transition. We are taking on new employees and there are new employees coming into the pension schemes. There is no guarantee with pensions, given what is going on in the world with bond rates, interest rates and so on, but from a Bord an Móna point of view, the actions it is taking are not having any negative impact on the pensions at this time.

Chairman: I invite Mr. Brian Carroll to respond to the second question.

Mr. Brian Carroll: On progress on the climate action plan, as the Deputy is probably aware there are strong governance arrangements in place to oversee implementation, including a delivery board chaired by Mr. Martin Fraser, Secretary General of the Department of the Taoiseach and Mr. Mark Griffin, Secretary General of the Department of Communications, Climate Action and Environment. The first progress report relating to quarter 3 was published recently and 85% of the actions were delivered. The next progress report will be published after quarter 4 of this year, early in the new year. Each quarter, there is a memorandum to Government explaining progress to date and the report is then published. There is transparency around how progress is being made. Where an action slips, every effort is made to get it back on track as quickly as possible. There is huge emphasis on ensuring timely delivery.

Chairman: I call Deputy Corcoran Kennedy.

Deputy Marcella Corcoran Kennedy: I thank the witnesses for attending this hearing. What are the ESB's plans for the buildings? As Bord na Móna also has many assets, Mr. Donnellan might elaborate on its plans for those assets. How did the ESB arrive at the €5 million contribution to the just transition fund? When Ferbane power station closed a number of years ago, €3 million was provided to the community. Likewise €3 million was provided to the community when Rhode power station closed. As in this instance two power stations are closing, why was the contribution not €10 million? Perhaps the ESB would review its decision in that regard.

What are Bord na Móna's plans for the briquette factory in Derrinlough and Edenderry power station? On the rehabilitation of the National Parks and Wildlife Service peatlands, it was mentioned that there are opportunities here for which Bord na Móna hopes to successfully tender. How many contracts has it tendered for and won in the past in regard to the National Parks and Wildlife Service, Coillte and so on? On the biomass and feedstock that Bord na Móna has on hand, what are its plans for those stocks?

It was suggested at a previous hearing that employees would no longer be full-time employees. In other words, they would be issued with one-year contracts. Is this accurate?

On the midlands retrofit programme, would the Department examine the idea of a special scheme for the midlands where a considerable amount of the fuel burned would be turf or briquettes? There is a strong argument for design of a special scheme to encourage people to transition to a more suitable fuel.

My next question is to the Department of Housing, Planning and Local Government of-

ficials. How many local authority houses across the country require retrofitting? The success of the midlands retrofit programme will be important in the context of the programme being carried out in other areas.

Chairman: I invite Mr. Dollard to respond first.

Mr. Jim Dollard: In terms of the buildings, as stated by the chief executive of Bord na Móna, Mr. Donnellan, over the next 15 months our focus on the site will be to operate fully as a peat plant. After that, the site will be unavailable for a period of time. We are examining other energy options on the site, including energy grid reinforcement, storage and other energy options. It is a significant site in terms of energy infrastructure in Ireland. We will be closely examining what other types of uses fit with that energy infrastructure.

In regard to the fund, €5 million, in my view, is a significant amount of money. Deputy Corcoran Kennedy spoke about previous transitions. There have been many transitions in the midlands down through the years. The current fund compares favourably with the amounts contributed when one considers the scale of the changes that happened previously was far greater. Hundreds of people were involved in some of the changes. This is still quite a large number of people but it is small relative to some of the previous changes, with 80 people. We have contributed €5 million in addition to the €6 million, which we consider to be a significant sum.

Mr. Tom Donnellan: Deputy Cowen asked about Derrinlough, the Edenderry power plant and other assets. Derrinlough is our sole briquette factory and it is efficient. We anticipate we will continue to run it for the foreseeable future. A decision will need to be taken in 2024 or 2025, when new European regulations for factory emissions will come into force, which will require a significant investment. We will decide in 2023 or 2024 whether the investments will be made. An important part of the decision will be the impact of carbon tax on the sale of briquettes, that is, whether by 2024 or 2025, briquette sales will remain at the same level, or whether carbon tax will have diminished briquettes' status as a fuel source. We believe there will be significant demand for them, given that for 20% of housing stock in the country, solid fuel is the only way to generate heat. We have conveyed this information to the workforce at Derrinlough.

EPL, the Edenderry power plant, has a licence until 2023. It currently co-fires on biomass and peat. The biomass source is approximately 80% indigenous and locally supplied, and has grown from 60%, which was the figure on the previous occasion I appeared before the committee. Our intention is to reapply for planning permission, the process for which will start in the next year, to extend the life of EPL, more than likely as a biomass plant, although no final decision has been made and it could continue to co-fire.

We have many other buildings and properties, and we are working with the Land Development Agency on how some of them could be repurposed. We believe we will repurpose them for many of our new businesses. Bord na Móna was the largest coal distributor in the country but we will exit the business at the end of the year. A number of depots in various parts of the country will be sold or developed, with the money reinvested in the company.

Chairman: I will call our guests from the Department. There were questions on local housing, the numbers who will require retrofitting and the midlands retrofit programme.

Mr. Paul Benson: There are approximately 134,000 local authority houses in the country. At the end of the year, close to 80,000 houses should have benefited from retrofitting, which

suggests that 54,000 will remain. Some 24,000 houses of the 134,000, however, are less than ten years old and, therefore, the level of retrofit required will be different. The newer the house, the lower the level of retrofit that will be required, and *vice versa*. Perhaps 30,000 or 40,000 houses will require a deep retrofit, while the newer ones will require much less.

Chairman: Did Deputy Corcoran Kennedy have a question for the Department on the midlands retrofit programme?

Deputy Marcella Corcoran Kennedy: I wished to ask the Department about the announcement in the budget in respect of the funding for the retrofit, and whether it will be new or old money, given there was a suggestion in a presentation earlier that the money had been provided for under a different scheme. My understanding from the budget was that it would come from carbon tax.

Mr. Brian Carroll: There were existing schemes but the introduction of the increase in carbon tax brought an additional €90 million. Of that, an additional €20 million was for the retrofit as part of the just transition programme. It is additional money arising directly from the €6 increase in carbon tax.

Deputy Marcella Corcoran Kennedy: There was also a question on whether the Department considered a special scheme to encourage people to transition away from solid fuel, not least in the midlands, where people traditionally cut turf and so on for themselves.

Mr. Brian Carroll: At a high level, the climate action plan commits to deep retrofitting 500,000 buildings by 2030 and fitting heat pumps in 400,000 buildings. Heat pumps are suitable for the types of buildings to which the Deputy referred. The money is now being allocated in budgets, while the schemes are being designed and will evolve over time.

Deputy Marcella Corcoran Kennedy: It would be worth considering a scheme specifically for the midlands.

Deputy Eamon Ryan: Action 110 in the whole-of-government climate action plan relates to land use mapping. My understanding was the Department was due to hold a consultation with stakeholders on the matter by quarter 4 of 2020. I am interested in finding out how that is progressing, or is it one of the 15% of recommendations that have not yet been actioned?

The €60 million in potential funding is from Europe agreeing to the PSO being put into the fund. How exactly will that work?

The Department of Culture, Heritage and the Gaeltacht, led by the Minister, Deputy Maudighan, is holding a consultation on the continuation or otherwise of peat extraction for horticulture. What is the involvement of the Department of Communications, Climate Action and Environment in that regard? Will it be involved in the consultation process?

Rewetting is the rehabilitation of cutaway bogs formerly used for peat extraction for power plants. Will Mr. Donnellan indicate, in the four areas he set out, what percentage of Bord na Móna's overall land bank that is? What degree of carbon savings does he expect from it? Of the €60 million, if that is the correct figure to fund it over a period, how much does he expect to save?

Mr. Carroll stated there will be possibly 100 new jobs directly related to the development of renewable energy assets. I am interested in hearing details on solar power. I do not know

what the ESB's or Bord na Móna's plans are on it. Is it possible to rewet the bogs and install solar technology at the same time? Mr. Dollard stated we should examine the assets we have. I would imagine that the main asset is the grid connection. Given that the plants must be located close to depleted bogs, one would think there is an obvious use for the grid connection. I do not know whether that would work due to the power-to-area ratio.

Mr. Tom Donnellan: Dr. MacNamara is our expert on the rewetting of lands.

Dr. John MacNamara: On rewetting and the area of the bogs, a total of 55,000 ha is probably involved in peat extraction for power stations, historically at least. It is approximately 60% of the Bord na Móna land bank.

On the carbon savings that would be achieved by the rewetting, it is not a simple answer. A variety of land banks and peatlands are at different stages. Some have been cut over, some have been cut away, while others are in pristine condition in the high bog areas that remain. Even the scientists and experts doing the work regularly will shy away from stating a definitive number.

Deputy Eamon Ryan: To clarify, do the bogs listed in the presentation equate to 55,000 ha?

Dr. John MacNamara: Yes.

Deputy Eamon Ryan: That is to be funded from €60 million from the PSO. There is not yet a figure, however, for the carbon saving from that specific piece of land.

Dr. John MacNamara: It is difficult to state a simple number per hectare or tonnes per hectare. There are figures on fully cut away land. Approximately six tonnes per hectare per year in emissions flow from the site. A definitive saving number, however, will take a little longer to work out, notwithstanding that the removal of the emissions will be achieved before sequestration begins.

Mr. Senan Colleran: We have big ambitions in the whole renewables space, including in solar energy. In principle, putting solar panels on these lands is a good idea but, although it has connection agreements, it would need the agreement of residents and planning permission. Our focus is first on finishing out the operation towards the end of 2020. We want to concentrate on our people in the stations and to make sure they get a just transition as we move away from peat. These options will then come back to the table for consideration in future. We have big ambitions to lead the transition to a low-carbon future in Ireland across transport, heating, and energy generation. All of that is in the mix.

Mr. Brian Carroll: There were two questions. The first related to action 110, which is about engaging with stakeholders to develop a roadmap on land use. That is for delivery in the fourth quarter. It is certainly not part of the 15% from the third quarter. It is primarily being led by the Department of Agriculture, Food and the Marine. I would need to check the status of this action with the Department.

Deputy Eamon Ryan: Is Mr. Carroll's Department involved in the consultation process on the ending of horticultural peat extraction?

Mr. Brian Carroll: We engage with the Department of Culture, Heritage and the Gaeltacht generally in respect of the peatlands strategy. Peat harvesting specifically for horticultural use would be, in the first instance, a matter for the Department of Agriculture, Food and the Marine

and the Department of Culture, Heritage and the Gaeltacht.

Deputy Eamon Ryan: I will conclude on this point. As I said at our meeting with the local area education and training board and others last week, I believe we should be honest with people. By the middle of the next decade we will face fines of several hundred million euro a year as a result of changes in legislation with regard to how we account for peat. The likelihood of any form of horticultural peat extraction continuing by the middle of the next decade is close to zero. We should be honest with workers and communities in that regard.

Mr. Tom Donnellan: Horticultural peat will be key to Bord na Móna decarbonising. It is probably the last piece of the equation. In the next 18 months we will reduce our horticultural peat sales by 50% as we transition to non-peat based horticultural products. We already have large contracts signed with some of our big customers. This is all part of the journey. Bord na Móna is involved in a climate change process. Our ambition is to lead the way in this regard and not to be dragged along kicking and screaming.

Deputy Brian Stanley: I have a number of questions. I will put them to specific delegations rather than asking everyone because time will not allow for answers from everyone. My first question is for Bord na Móna. Rewetting of bogs is under way. For example, the bog at Abbeyleix is being rehabilitated. Do the witnesses see Bord na Móna being directly involved in the enhanced rehabilitation of bogs in the future? I am not totally *au fait* with this. I am not a scientist but it is reported that sphagnum has huge potential to absorb carbon. Is Bord na Móna actively looking at that? What does the science say? My understanding is that the PSO can be used for that.

My second question for Bord na Móna relates to the future of the Derrinlough facility. It is successful and efficient. It is the last plant standing. I was more familiar with the facility at Mount Lucas but that went a number of years ago. The change coming in 2024 under EU regulations and the carbon tax may have an impact on Derrinlough. Has Bord na Móna looked at the potential for mixing other raw material with peat? Could a briquette made from an alternative to peat be produced at the plant?

With regard to the just transition, the unions were before the committee earlier. In the ESB's presentation, it said that it welcomed the appointment of the just transition commissioner, who will have a vital role in ensuring a co-ordinated and effective approach to the just transition. That would indicate that the ESB sees the need for some type of forum if one is going to have a co-ordinated and effective approach to the just transition for communities and workers. I do not want to put words in the witnesses' mouths, but that is what they seem to be indicating. Is Bord na Móna willing to participate and be a major player in a just transition forum for the midlands? Such a forum would bring together Bord na Móna, the ESB, workers' representatives and other key stakeholders such as Coillte to bring about this just transition. There are a number of parts involved. There are different parties in the room today. Last week we had other groups here and earlier today we had the unions in. Having sat through these hearings asking questions, I cannot help think that two representatives from each of the groups we are meeting should be brought together in a single forum. What is Bord na Móna's view of that proposal? Would it make sense?

Has Bord na Móna carried out a skills audit in respect of the workers who are facing transition or losing their jobs? I am sorry for the length of my contribution but horticultural peat is an issue of huge concern to me. I refer to Coolnacart, the Cashel bogs, and the plant at Kilberry but specifically the plant at Coolnamona. Some composting is going on there. That is what

Bord na Móna has told me previously. In all the talk around just transition, there has been no mention of jobs. What is in the future for that plant? What is the timescale? Can the plant be redeployed for alternative uses? Those are my questions for Bord na Móna.

Dr. John MacNamara: I thank the Deputy. He spoke about the opportunities around enhanced rehabilitation. This goes back to the response I gave to Deputy Eamon Ryan in that there are a range of different ecosystems across our bogs. These will require a range of different interventions, including wetland engineering, targeted cultivation of specific seed types and, as the Deputy mentioned, the inoculation of sphagnum in bog areas, where appropriate. We are in a good position in that respect as we have a peatlands team that consists of ecologists, engineers, operatives and back office support. Our team can go out to assess the different bog areas and to see what potential there is for sphagnum inoculation. It will not be possible everywhere. There will be different interventions based on the ecosystems present. The first step is assessment, then an engineering plan is drawn up, which the operatives then implement over time.

Mr. Tom Donnellan: On the other topics the Deputy brought up, the skills audit is well under way. When the announcement was made on 8 November that the two stations would not proceed, we had all the third parties on site to begin that process. We have now completed a skills audit of approximately 150 people. We have had very good participation from the employees. They have signed up to a number of training programmes we are providing. We are working with the local regional training boards to provide these. That is ongoing and is in a good way.

With regard to the just transition commissioner, we welcome his appointment and will work closely with him. The Deputy suggested all the relevant people should be brought together in one room. We are part of the regional transition forum set up last year when Bord na Móna first announced this restructuring. Everybody is in that room, including the local representatives, Deputies, unions, the education and training boards, ESB representatives, and Bord na Móna representatives. That forum works well and we should build on it.

Deputy Brian Stanley: Will Mr. Donnellan comment on the Derrinlough question?

Mr. Tom Donnellan: I had already covered it. We plan to keep it going for the foreseeable future and a decision will be taken circa 2024 or 2025. On whether we will look to introduce other sustainable materials-----

Deputy Brian Stanley: That is the question.

Mr. Tom Donnellan: -----we have done much work on that. Up to now, we have not found a solution that will work. It is not something we have given up on and we will continue to work on that. The challenge is that peat is a very economical source of fuel whereas alternatives would be much more expensive. The question then is whether they could be marketed and a return made on them. We have done much work on it. It is still a work in progress. We have not given up on it.

Deputy Brian Stanley: There was a question about Coolnamona.

Mr. Tom Donnellan: I will need to come back to the Deputy about that.

Deputy Brian Stanley: Okay. I have one last question for Bord na Móna. On the Edenderry plant and the PSO levy, at the moment, I understand that there is a PSO subsidy for 30% biomass. Does that need to be changed? What type of stocks in terms of peat on the bogs are

on hand? Does the 30% need to increase?

Mr. Tom Donnellan: If we were to go 100% biomass, then clearly the 30% would need to be increased. We are engaging with the Department on that. The decision must be made in the coming 12 months as to what type of planning will be sought, whether it will be 100% biomass or if we will continue with a co-firing option. That will determine that, but we will definitely pursue that option.

On the biomass, we carry a regular inventory of about three to four months at any given time. Most of that is indigenous, so much of that is material that is drying. We do not put it into the power station until it has a certain moisture level. We have different levels of peat inventories by bog and region. For example, for the Edenderry power plant we have about 18 months of peat in front of it, it is the same for Derrinlough, and for horticulture we have about six months of peat in front of it. They are in keeping with our inventory levels. They are determined particularly by whether we anticipate the weather will go with us or against us in the harvesting season.

Deputy Brian Stanley: On the retrofit programme, has the ESB looked at the option of a green bond or a pay-and-save scheme? The ESB representatives have answered some questions on the future of the power stations, but in terms of the use of the sites, the grid connection location and water extraction licences that the company has, there are many things and a lot of departure there, so to speak, for something else to be moved in. Has the ESB looked at the option of either biomass or perhaps replacing it with a new biogas facility? Obviously, it would be of a smaller scale, but it is whether it is being looked at for purposes like that or as a staging post or transmission station for solar power. I would like a brief answer on the just transition forum. What planning is the ESB doing now for the just transition for its workers who will be losing their jobs?

Mr. Jim Dollard: I will take parts of those questions and pass some of them to my colleagues. In terms of engaging with our staff, as I said earlier, there are about 80 staff employed between the two stations. We expect a significant number - a majority - will seek redeployment. We have a number of depots in the region and we expect to redeploy these highly skilled people if they opt for it. We will offer retraining and reskilling programmes. Some may opt for a severance programme that we will develop in the coming weeks and months, but I expect a majority to be reassigned in the broader ESB business. Having spoken to these people last week, the indication is that many will take that up and we will be glad to have them.

Mr. Peter O'Shea: I will come in on the green bond. In the year gone by, the ESB raised a very significant green bond in the financial markets to utilise across the various parts of our business for green activities. I think it is a different question the Deputy was asking. I think he was asking about retrofitting and how money might be raised for retrofit schemes either on an individual or collective basis. To be honest, that requires some degree of policy and legislation to enable it in the Irish market. There were examples in the United Kingdom of a green deal. It was not overly successful, but I believe it came to the market at a difficult time. I would not discount it but it is not a place that the ESB sees itself being in in the first instance. It is a broader than the ESB.

Deputy Brian Stanley: I have one question for the Department. On retrofitting, much of what is left is external because the easy ones, the internal work, and I can see them around the midlands, have been done. Many of the ones left are the harder, older ones that require external wrap-around. There have been problems in England, Scotland and Wales with ones done under

the British energy saving scheme. Problems have cropped up with several hundred homes in terms of moisture penetration because it is wrapping with a soft fabric in a wet climate, and they depend on the texture on the outside.

Chairman: What is the question?

Deputy Brian Stanley: Has that been looked at to see if there are lessons that can be learned from that? We want to try to get this scheme right. A number of pilot schemes are on the way, and I pass one on Kildare Street coming to the Houses every day, and I can see it being done. Has the Department looked at that? Ireland is wetter than England, so there is significant potential for that to cause problems in the extremely wet climate that we have. We want to try to get this right. Has that been looked at and examined?

Mr. Seán Armstrong: The SEAI, is responsible for the grant scheme for the private sector, but the works are carried out in accordance with the building regulations. Part D of the building regulations requires that external insulation systems are third-party certified, which is typically National Standards Authority of Ireland, NSAI, Agrément certified in Ireland. That would test external wall insulation systems for all parts of the building regulations, including severe weather exposure. All the materials would have been tested for that. The NSAI operates a database of materials that have been tested, and there would be trained installers. The authority would audit the installer schemes for those systems. The grant scheme would require that the works be carried out in accordance with building regulations, and the NSAI would operate a certification system to ensure that they are in accordance with the building regulations.

Senator Alice-Mary Higgins: I thank Deputy Bríd Smith for swapping with me as our Private Members' business slot is just beginning in the Seanad. Specifically around a just transition forum, the actual proposal for such a forum that we heard from ICTU was that the Workplace Relations Commission would act as chairman to a stakeholder forum that would allow for addressing these issues. Potentially this could act as a model because we know that we are going to have to see many transitions in many sectors, and it could be an opportunity to have a stakeholder forum framed not as dispute resolution but as a meeting of stakeholders. I would like to ask Bord na Móna specifically if it is the case, as we understand it at the moment, that the company is not willing to meet in a stakeholder forum chaired by the Workplace Relations Commission. Is that the case?

Mr. Tom Donnellan: Let me answer that in a number of ways.

Senator Alice-Mary Higgins: I have limited time, so perhaps Mr. Donnellan could answer it tightly, because I do have many follow-up questions.

Mr. Tom Donnellan: A number of months ago the belief was that Bord na Móna was coming to an end and it was going to lay off 2,000 employees and that it was going to leave at Christmas, that the pensions were going to be raided and there was no future for the midlands. The suggestion then was that we needed a Workplace Relations Commission forum to deal with all that. This is the first test of decarbonisation and we need a forum to deal with that. We have put in place a plan that means that is not going happen. There will be no compulsory redundancy and there will be redeployment, there is a company that is in growth, that is financially stable, the pensions are in a good place. We have an industrial relations mechanism for dealing with such matter that works well. We, in Bord na Móna, do not see the upside of us being used as some sort of forum to determine how just transition issues are managed in the future. We have asked the unions what issues they want to discuss and they say they want to discuss pen-

sions, what is happening with the third parties like the ESB, and security of employment. These are issues where the answers are clear and we can deal with them through the current industrial relations forums. We would have no issue with a wider forum to talk about just transition, like we have in the midlands with the county councils and all of the different stakeholders, but we do not see any upside to a Bord na Móna forum.

Senator Alice-Mary Higgins: A case was made quite strongly for this. We have just transition funds. This is in a just transition frame, regardless of whether Bord na Móna and ESB like to be at the forefront. They are at the forefront of how we model this as a State. From my perspective it is something we need to look at beyond the existing industrial relations framework. I ask the Department, if it comes in later as a major stakeholder, whether it believes there is an opportunity or need for that commission or stakeholder forum, chaired possibly by the WRC.

Mr. Donnellan specifically mentioned redeployment, namely, 210 redeployment opportunities, and between 200 and 600 of what he called new jobs. Why are the 200 to 600 jobs framed as new jobs rather than redeployment? Will they be the same quality of jobs? If somebody has been working for 20 or 30 years with Bord na Móna, is it the case that the company is inviting him or her to apply for these new jobs rather than redeploying that person? There are 210 redeployment opportunities, 100 new direct jobs in renewable energy assets, 100 new jobs in recycling, and 150 to 300 in various green businesses. Why have these been framed as new jobs rather than redeployment?

Mr. Tom Donnellan: The 210 redeployment jobs are for people who are directly impacted by the closure of the power stations. These are people who will not have work next year and will be redeployed by us. The other jobs that we call new jobs are for people we will probably have to hire. There are 100 people who will be hired in direct jobs in renewable energy, where we have a big pipeline of renewable energy projects to build out. We had 20 people in that group and have upped it now to 44. We have hired the balance externally. Some of them will come internally, if they have the skill sets, and some will come externally. It is not a question that we have more people to redeploy.

As we get down the road to the potential new jobs in the green businesses, herbs and aquaculture, our plan is that when we finish with the rehabilitation, circa 2024 or 2025, a number of people will have retired, and some who may wish to stay with the company will be redeployed to those new opportunities.

Senator Alice-Mary Higgins: As to those new jobs that people are going into at the moment, some of which are internal, are those jobs with commensurate rights and experience? We have concerns that people will be transitioning to short-term contracts from what were previously long-term contracts or long-term employment.

Mr. Tom Donnellan: Nobody who we will deploy will go from a permanent contract-----

Senator Alice-Mary Higgins: No, I am not talking about redeployment, but those who have gone into, as Mr Donnellan has described them, new jobs.

Mr. Tom Donnellan: Anybody who is in Bord na Móna who moves to one of these new jobs will not suffer from short-term contracts or anything like that. If that person was a full-time employee and he or she moves to one of these jobs, that person is still a full-time employee. If the person is a seasonal employee, he or she will remain a seasonal employee. That person will not be going from being a full-time employee to one who has a short-term contract.

That is not the case.

Senator Alice-Mary Higgins: Of the 210 redeployment opportunities in rewetting and rehabilitation of Bord na Móna lands at the moment, we have heard that there are negotiations ongoing with the European Commission. That is around an enhancement beyond what the company needs to do as per the EPA baseline. Is it the intention that regardless of how protracted the European Commission negotiations might be on that PSO, those 210 workers will be kept in employment long enough to fulfil the company's initial EPA obligations to allow enhanced rehabilitation funding to come online?

Mr. Tom Donnellan: Those 210 jobs are guaranteed. This has been communicated to our employees. We will be going out to all of the affected employees next week to tell them where those areas are, and this is something that we are committed to doing. These are solid, 100% plans. Those 210 people will have those redeployment opportunities and we are already in discussions with them. This is a given.

Senator Alice-Mary Higgins: There is a concern in relation to that. The other thing mentioned by Mr. Donnellan was a limited number of new applications for the voluntary redundancy scheme. We have heard a concern that all older workers have had difficulty in being allowed to take voluntary redundancy. If we are looking at this collectively, which is our job as a committee, we have to look at the overall workplace. We want to know that older workers can take those voluntary redundancy schemes in order that we do not have voluntary redundancy for younger workers who are then put into the employment system to start training again. Will Mr Donnellan kindly comment on that, please?

Mr. Tom Donnellan: I will comment on that because there has been much commentary about it. The best just transition that we can provide is a job, a full-time pensionable job, which Bord na Móna has provided for the past 80 years. We have opened up a limited voluntary redundancy scheme. The decision on who is accepted is a key one based on business needs and skill sets, which are the two criteria used. In the previous programme which we ran last year, 35% of the people who got voluntary redundancy were over 60. I would like to nail that myth that people are being discriminated against because of their age.

Senator Alice-Mary Higgins: Mr. Donnellan mentioned 35%.

Mr. Tom Donnellan: Yes, 35% of the people who got voluntary redundancy were over 60. It is not based on age but on business criteria and skill sets. The best just transition we can provide to people is a job until they retire so that they can then draw their pension. We would not accept that that is in any way discriminatory.

Chairman: The Senator will have to be quick.

Senator Alice-Mary Higgins: I had addressed a question to the Department.

Chairman: Please repeat it again.

Senator Alice-Mary Higgins: It was a question to the Department on the need for a stakeholder forum chaired by the Workplace Relations Commission that would allow us to address the issues.

Chairman: I thank the Senator and call Mr. Carroll to speak.

Mr. Brian Carroll: The first thing to say is that the just transition commissioner has only

just been appointed by the Government and the terms of reference for his operation published. That includes engagement with all relevant stakeholders, Bord na Móna and ESB included, as well as trade unions and worker representatives. As part of the terms of reference, the commissioner can make recommendations on the essential elements of a just transition for workers and communities, including any additional actions or measures deemed appropriate, together with optimal structures and processes to support co-ordinated and effective delivery of the just transition. The just transition commissioner will report quarterly to the Government. I would not like to pre-empt the work that the just transition commissioner will do.

Senator Alice-Mary Higgins: The commissioner does not have a specific role in terms of workers' rights or negotiating around particular cohorts of workers, as I understand it.

Mr. Brian Carroll: This is not specified in the terms of reference.

Senator Alice-Mary Higgins: There is a disjointedness there.

Chairman: I call Deputy Bríd Smith to speak now.

Deputy Bríd Smith: I thank the Chairman, all who are in attendance and all of the witnesses for their presentations. I will start with Mr Donnellan of Bord na Móna. With all due respect, how long is Mr Donnellan with Bord na Móna?

Mr. Tom Donnellan: I am with the company almost two years.

Deputy Bríd Smith: Has he ever been involved in any just transition programme in any other workplace before?

Mr. Tom Donnellan: Yes, I was involved twice before.

Deputy Bríd Smith: Will he tell the committee where these were?

Mr. Tom Donnellan: These were in France.

Deputy Bríd Smith: Were they in the carbon industry?

Mr. Tom Donnellan: No, they were in technology and telecommunications industries where there was major restructuring and displacement of employees.

Deputy Bríd Smith: Mr Donnellan is familiar, then, with the whole notion of the importance of just transition for both workers and communities.

Mr. Tom Donnellan: Sure. Absolutely.

Deputy Bríd Smith: Mr. Donnellan said to us that he did not want to go to the Workplace Relations Commission because he does not want to be seen to be used as a forum to manage just transition in the future. How come then he is willing to engage with the just transition commissioner?

Mr. Tom Donnellan: As I said earlier, the view on Bord na Móna was that it was coming to an end and we needed to have a forum to decide how it was going to end. Nothing is further from the truth. Today, we have a number of forums to deal with what is happening under just transition. In July we signed a just transition agreement, which outlines in detail how reskilling and redeployment will be catered for. Some pay incentives were provided in return for that. We clearly have a record on that.

A midlands forum was set up last year specifically to deal with the just transition. The midlands forum is composed of all the local councils, Deputies, the ESB, the training boards, the union representatives and us. The Minister has announced a just transition commissioner to coordinate. We do not see the need for a third forum along the lines of industrial relations when we believe from an industrial relations point of view, we have mechanisms in place that work.

Deputy Bríd Smith: It is mainly men who work in the company. Some of them have 35 or 40 years' experience with Bord na Móna as opposed to Mr. Donnellan's two. They have consistently worked in an arena where a group of unions represented their interests. I believe Mr. Donnellan is familiar with that group of unions because Bord na Móna signed a collective agreement in June or July 2019. A number of issues remain outstanding - I am sure Mr. Donnellan is familiar with all this. Issues relating to retirement age, seasonal working arrangements, flexible ways of working and the training and upskilling of workers are in dispute with the group of unions. If there is a dispute with unions in a company where people have 30 or 40 years of service, there is a structure there where the unions go to a State apparatus, known as the Workplace Relations Commission. I am not trying to lecture Mr. Donnellan; I am just trying to spell it out. Why is Bord na Móna refusing to go to the Workplace Relations Commission when four or five key issues affecting workers with a long service are outstanding?

Mr. Tom Donnellan: Irrespective of whether I have been in the company for two years or 32 years, I have 35 years' experience of in-depth industrial relations-----

Deputy Bríd Smith: I am making the comparison with those who have worked there for 40 years.

Chairman: Please, Deputy.

Mr. Tom Donnellan: -----in all sectors. An industrial relations mechanism was put in place in the company in 2016 which was voted for by the majority of the workers. That industrial relations mechanism means that if there is any issue relating to pensions, retirement age, skilling etc., in the first instance the employee and the union sit down together to try to find a resolution. If they cannot find a resolution - up to now we have found a resolution of 95% of issues we have had - they then go to what is called a joint industrial relations commission. There is a third party appointed by the Workplace Relations Commission who then adjudicates. If any party remains unhappy at that stage, we then go to the Workplace Relations Commission. If any party at that stage is not happy, we then go to the Labour Court, which is binding. We use the full suite of industrial relations options, including the WRC, and we have no issue with that mechanism.

Deputy Bríd Smith: Why does Bord na Móna therefore have a problem in going to the Workplace Relations Commission on the outstanding issues in that agreement which I have just listed?

Mr. Tom Donnellan: We have no problem going to the Workplace Relations Commission on the outstanding issues, provided it follows due process. First, there is an internal attempt with a certain period laid down for how long that should last. If there is no resolution, the matter goes to the JIRC and if there is no resolution there, it goes to the WRC. If there is no resolution at the WRC, it then goes to the Labour Court. That is a collective agreement we have. We are honour bound to it and we will follow it.

Deputy Bríd Smith: I may be wrong and I do not have a trade union official sitting beside me to advise me. My information is that the agreement that was signed in June was broken by

Bord na Móna when it laid off 150 workers in Mount Dillon. That was not part of the collective agreement that was signed. Once they were laid off, Bord na Móna was immediately into a disputatious situation.

In the wider picture, I believe Mr. Donnellan would acknowledge, as everybody else in the country does, that the just transition challenge for Bord na Móna is the litmus test for future just transition in the country. Bord na Móna would not want to be used as a forum to manage just transition for the future. I ask Mr. Donnellan to explain to me why not when his company is the litmus test for that.

Mr. Tom Donnellan: We are fully committed to just transition and we have laid out our plans. The best just transition we can provide to anyone is a good permanent pensionable job.

Deputy Bríd Smith: There is much more to it.

Mr. Tom Donnellan: If I can finish-----

Deputy Bríd Smith: The definition of just transition includes much more.

Chairman: The Deputy must allow Mr. Donnellan to finish and let him answer the question.

Mr. Tom Donnellan: Two forums have been set up to deal with just transition. The midland forum, which I mentioned, has all parties involved: the unions-----

Deputy Bríd Smith: I understand. Mr. Donnellan told me all that.

Mr. Tom Donnellan: We have the appointment of a just transition commissioner with whom we will engage.

Deputy Bríd Smith: Yes, but Bord na Móna-----

Mr. Tom Donnellan: I would like to finish. The Deputy referred to Mount Dillon. We did not lay off 150 workers. One of the stations in Mount Dillon went offline. All the permanent workers were kept online. The seasonal workers were sent home, but that does not impact them financially one bit. Seasonal workers in Bord na Móna are guaranteed a set number of days in a year and we honour those days. We sent them home at the time, but we have since called them back. If by the end of the year we have not called them back, they will be fully paid for those days. Therefore, there is no financial impact on those employees.

Deputy Bríd Smith: Does Mr. Donnellan agree with me that there is clearly a dispute about how this is being handled between Bord na Móna and the workers as represented by the group of unions?

Mr. Tom Donnellan: I cannot accept that. A few months ago, there were two schools of thought for Bord na Móna. One school of thought was that Bord na Móna is coming to an end and we should maximise redundancy, maximise pensions and pull up the drawbridge. That was the stated position of a number of people. Our board has four worker directors, elected by the employees. We asked them to go and talk to the employees in the company to ascertain what they wanted. They came back to us and distinctly said the feedback from the employees was that they wanted their jobs for as long as possible. They were not about redundancy and maximising pension. That is the route we have followed.

Deputy Bríd Smith: Has Mr. Donnellan ever discussed with the Minister the possibility of attending a just transition forum in the Workplace Relations Commission?

Mr. Tom Donnellan: Yes, I have.

Deputy Bríd Smith: What was Mr. Donnellan's response to him? Has he requested Mr. Donnellan to do so?

Mr. Tom Donnellan: He did not request me to do so. We had a debate about the pros and cons of it. I have given the company's clear position.

Deputy Bríd Smith: Is it the same position Mr. Donnellan has just given me.

Mr. Tom Donnellan: Pretty much, yes.

Deputy Bríd Smith: Why did Bord na Móna reduce its bank debt by €50 million last year when it knew it was facing this challenge with workers being laid off and seasonal workers' hours being changed?

Mr. Tom Donnellan: We went through a significant restructuring last year to ensure the company was financially stable and resilient to be able to deal with the challenges we knew were coming. Bord na Móna had some private placement debt which it had taken out a number of years ago in the days of very high interest rates based on some renewable energy assets that we had built. We were obliged to pay back the loan last year. If we did not pay it back, the assets would have been taken.

Deputy Bríd Smith: I believe Mr. Donnellan told us earlier that Bord na Móna is in a very healthy state with pensions and everything else guaranteed.

Mr. Tom Donnellan: The pensions-----

Deputy Bríd Smith: Was it absolutely imperative to spend that €50 million?

Mr. Tom Donnellan: We did not spend the €50 million. We repaid a loan that was due. If we did not do it, we would have been in default and the assets would have been seized.

Deputy Bríd Smith: Therefore, Bord na Móna chose to give back the €50 million to the banks, rather than-----

Mr. Tom Donnellan: We did not choose-----

Deputy Bríd Smith: -----ring-fence it for the troubles that were facing the midlands.

Chairman: I ask Mr. Donnellan to finally respond before the end of the-----

Mr. Tom Donnellan: It is clear that we had debt on an asset that needed to be repaid. The company was obliged to do it and it did. The company has restructured itself and is in a very strong financial position to meet all its financial requirements in respect of pensions and redundancy payments. On 16 October, we announced a planned investment of €1.6 billion. I do not see where there is an issue.

Chairman: I call Deputy Nolan.

Deputy Bríd Smith: I want to make a request of Mr. Donnellan. At the end of this meeting, I plan to make a proposal to the committee to make a recommendation to the Minister that Bord

na Móra attend a just transition forum in the Workplace Relations Commission. I am asking Mr. Donnellan to do that, with all due respect to him and his board. It is not just for him and his board, but for the future of the midlands and the future of how just transition progresses for workers and communities.

Chairman: I call Deputy Nolan.

Deputy Bríd Smith: It would be the decent thing to do.

Chairman: The Deputy is out of time.

Deputy Bríd Smith: I do not think it would break the board.

Chairman: The Deputy has made her point.

Deputy Bríd Smith: It would be the sensible and decent thing to do.

Chairman: The Deputy is out of time. I call Deputy Nolan.

Deputy Bríd Smith: Can Mr. Donnellan respond to what I have just said?

Chairman: I think he has responded pretty comprehensively a number of times during that interaction. I call Deputy Nolan.

Deputy Carol Nolan: I wish to pose questions to the Bord na Móra and ESB representatives. The workers and communities are front and centre of all we do here. We need to be mindful that people are shocked and in grief over how things happened so suddenly. As I have pointed out in the Dáil, other European regions seem to have been given a longer period of transition. It is shameful the State pushes populism ahead of workers' rights and communities. I have said that to the Minister quite openly. My concern is with the workers at this time. I welcome the statement by Mr. Dollard from the ESB that he believed most of the 80 workers affected would take the redeployment option. That is fantastic and clear cut. The Bord na Móra workers are not so fortunate, however, and more of them are affected.

From the complaints that I have heard from workers, I sense that there is no ongoing communication. The workers seem to be very much in the dark and confused about what is happening. There are definitely issues with the redundancy packages and seasonal workers. What level of communication is taking place with those workers? I ask that the company engage in ongoing communication with the workers and more outreach because many of the problems arise from the communication issue.

Bord na Móra has drawn up a plan for offering redundancy packages. Were any of the elements of the plans used in the coal mining region of northern Spain or in Germany where the transition will last until 2038 taken on board? It is paramount that the workers are treated well when it comes to redundancy packages. These are loyal workers, many of whom have worked in the company for 30 years. The company has been very good and it is important that the workers receive fair play. I hope the new jobs that come on stream are guaranteed. I am sceptical about the retrofitting plan as I do not believe that work is guaranteed. As the trade unions have pointed out, there is a tender process involved. I am worried about that element. I appeal to the company to ensure the redundancy packages are fair and comparable with those that have been offered to workers elsewhere in Europe who are in this position. What happens here will be used a litmus test, certainly in this country. We have to get this right, be fair and ensure that our workers are not treated differently from workers elsewhere in Europe.

I did not pick up any clarity with regard to the power plant in Edenderry, although I may have missed something. I heard the answer with regard to the plant in Derrinlough.

Chairman: The witnesses have less than two minutes to reply.

Mr. Tom Donnellan: We answered the question on Edenderry earlier. The plant has planning permission until the end of 2023. Our plan is to resubmit a planning application for a life after that time. We believe that application would have a reasonable chance, notwithstanding that it will be subject to approval by An Bord Pleanála and all that goes with that. We believe that we have a reasonable chance of continuing. That is our current plan.

Regarding redundancy, our preference is for people to have jobs and employment in order that we have no compulsory redundancy. Therefore, anyone who wants a job can have a job and anyone who wants to stay in his or her job can do so. The reason we have offered limited voluntary redundancy is that we had a previous scheme that was oversubscribed and a number of people expressed to us a desire to return to college, start up their own company or change career. We are facilitating those people and the current scheme is oversubscribed. The terms are reasonably generous as redundancy schemes go.

We have considered in detail what has been done in Spain and other areas and we believe our redundancy scheme is pretty comparable. The circumstances abroad, especially in Spain, which Dr. McNamara can talk about, are totally different.

On the Deputy's point about communications, we do a lot of work on communication with employees. I have personally addressed all of the employees in the company in the past two weeks. Our head of energy will meet all of the employees next week. I agree with Deputy Nolan that there has been a great deal of uncertainty about the decision on the power plants and what would happen. There was speculation in some quarters that 1,000 or 2,000 people would be laid off. We have responded to that in the past few weeks and clarified the matter. I agree with the Deputy that we now need to clarify the position at an individual level and explain to each of the workers whether they will be eligible for one of the 210 redeployment jobs. I anticipate that people will know by 16 December whether they will have a redeployment job or qualify for voluntary redundancy.

Deputy Alan Kelly: I thank Deputy Fitzmaurice and the committee for facilitating me. The just transition was announced in the budget. I represent Littleton in County Tipperary where the plant was closed last year. I wrote to the relevant Minister and contacted his Department pointing out that Littleton must be part of this process because no Government can discriminate against people in a part of Tipperary where a factory closed recently. I played a central role in bringing the Sabrina Manufacturing Group to the area. This company is working with Bord na Móna and I acknowledge all of the work that it has done. I did some work for it today coming in here. I hope its engineers will arrive soon and the company will open with its first 40 jobs here. In reply to a parliamentary question, the Minister indicated that he would accept a submission to have Littleton made part of the just transition, including the just transition fund. I accept and welcome that statement. I will bring people in the area together in the coming days and weeks. Do we make submissions to the just transition commissioner who has been appointed or is there another process that we can avail of? What advice can the witnesses give me on this issue? People living in the area around Littleton deserve to be treated the same as the other communities involved by this Government and any future Government. What is the practical process involved in this?

Mr. Brian Carroll: As the Deputy is aware, the just transition commissioner has only been appointed and the terms of reference settled. The budget announced the allocations. The Minister signalled, in response to a parliamentary question, that he is open to a submission as to how the funds might assist workers affected by the ending of peat harvesting for power generation. In terms of the practical details, we will have to work out how that will be done in the coming weeks.

Deputy Alan Kelly: I ask that those be communicated to me.

Mr. Brian Carroll: We will do that.

Deputy Alan Kelly: We will proceed with the forum and then pick up on the matter with the Department.

Mr. Brian Carroll: We will communicate to the Deputy how to make a submission.

Chairman: I thank Mr. Carroll for being constructive.

Deputy Michael Fitzmaurice: I will allow the witnesses time to note my questions. A sum of €20 million has been ring-fenced for retrofitting in the midlands. How are the midlands defined? Will the money be ring-fenced to be used in certain counties?

I do not accept that the Department is still considering the recent judgment on horticulture because it was issued two months ago. Is new legislation being introduced on peat given that there are between 3,000 and 4,000 jobs in the sector?

We heard that 80,000 social houses had been retrofitted. Is Mr. Armstrong telling me that 80,000 houses are not using oil or gas at the moment? My understanding is that this retrofitting involved a bit of insulation. I do not see householders changing to air, water or anything like that. Will Mr. Armstrong confirm the position?

Mr. Carroll referred to reductions in Ireland's greenhouse gas emissions generated by transport, etc. My next question requires a straight "Yes" or "No" answer. I have done some research on this issue. The closure of the two plants by Bord na Móna and the ESB will not reduce Ireland's emissions because the companies trade on the European emissions trading system. In addition, it will not change our emissions from agriculture, transport and energy when we come to add them up. I want that clarified.

Mr. Carroll referred to €5 million allocated to the National Parks and Wildlife Service. Was he referring to the 12 bogs that the National Parks and Wildlife Service is currently working on because that work has been budgeted for already? That money came through the EU LIFE fund. Is this an additional €5 million? When did the ESB inform the Minister of the closures? Will Mr. Dollard confirm that he will be able to redeploy all employees in the 15 places he named, between skills places and depots, including a number in the west of Ireland, if they wish to do so? I know they will be given an option if they wish to take redundancy. If they wish to be redeployed, from what I understand Mr. Dollard is saying, the ESB will be able to redeploy them.

Emissions credits were given by Europe for the tonnages that the ESB was using. My understanding is that the ESB has to cut down on emissions as it goes. If it stops at the end of 2020, we know, from when I spoke to the witnesses before, that the credits the ESB has are worth €26 a tonne on the market. Will there be a large windfall of money on the tonnage that

the ESB has if another big conglomerate in another part of Europe requires credits? Why, under the same regulations, has Bord na Móna been able to get planning permission to use biomass and peat when the ESB could not have a second go at it? I note when the ESB talked about its reasoning, it was climate, commercial and planning reasons. Where do social and economic reasons come in for the people in rural parts of Ireland? Did the ESB not take trying to help them into account?

Will Mr. Donnellan tell me the number of full and part-time employees that Bord na Móna has at present? He said that Bord na Móna would be able to employ 210 and that there would be limited redundancies. Can he guarantee the rest of them for the next seven years? He talked about new ideas. When I met Mr. Donnellan two years ago, he gave us a lovely glossy document and told us about how there were goals for 2025 and 2027. I know that things have changed. Can he give a clear path to the rest of the workers?

Everyone on the committee needs to get real about restoration. The national park statistics indicate that €5 million covers about 17 diggers for 240 days. We need to be realistic that some of Bord na Móna's bogs could not be restored for the simple reason that they have gone beyond restoring.

Chairman: I have to bring in the witnesses, Deputy.

Deputy Michael Fitzmaurice: They are degraded raised bogs. People are coddling themselves about much of this.

Mr. Jim Dollard: I will take the questions in sequence if I can. We informed the Minister the day before the decision was made. We will be capable of reassigning all the workers who expressed a wish.

Deputy Michael Fitzmaurice: That is good.

Mr. Jim Dollard: I expect to see strong interest in reassignment. The Deputy talked about social and economic considerations in planning. The industry and our business are going through a significant transition, as are energy players across Europe. We saw those plants as being really important for our future and also for generating income for the economy. We understood the social and economic considerations, having operated the site. We are disappointed, having put a lot of effort into the planning application. Notwithstanding that, we cannot see how there is any way around this, considering the planning, commercial and climate issues. Those plants do not have any further future and I do not say that with anything other than regret.

Deputy Michael Fitzmaurice: What about the funding for the emissions?

Mr. Jim Dollard: A number of years ago, companies such as the ESB were giving carbon allowances for free. I do not know when exactly that stopped but it was five or six years, off the top of my head. When we sell electricity forward on the market, we have to buy carbon on the market ourselves. We do not hold allowances. There will be no windfall gain to the ESB whatsoever with regard to carbon.

Deputy Michael Fitzmaurice: What will the saving be?

Mr. Jim Dollard: There will be no saving.

Deputy Michael Fitzmaurice: If the ESB is buying forward, there has to be a saving.

Mr. Jim Dollard: We will produce the electricity in other plants, so we will still consume carbon.

Deputy Michael Fitzmaurice: The ESB will not be buying the carbon credits, so what is the saving?

Mr. Jim Dollard: We may not be but equally we will not be selling the electricity.

Deputy Michael Fitzmaurice: The ESB will be selling the electricity because it will be generating it in a different way. What is the saving if the ESB is not buying the carbon credit?

Mr. Jim Dollard: There will be no saving because all the plants compete and there is a margin. One plant is competing against the other and marks it against its competitors too, so I would expect no saving.

Chairman: I will bring in Mr. Carroll from the Department.

Mr. Brian Carroll: The closing of the peat plants, on an economy-wide basis, will reduce our emissions. The estimate is that 1.25 million tonnes of carbon will be saved each year. Emissions will reduce by 9 million tonnes cumulatively up to 2027.

Deputy Michael Fitzmaurice: I asked if it is included in our targets. It is not because I have heard Mr. Carroll answer the question already.

Mr. Brian Carroll: I think there is a distinction to be drawn between how EU targets are framed and an economy-wide approach to decarbonising. The EU regime is divided into two sectors, the emissions trading system, ETS, which is a cap on trade, where electricity falls on the non-ETS which covers other sectors. It would not be correct to say that it does not reduce our emissions on an economy-wide basis.

Deputy Michael Fitzmaurice: Let us make it simpler. It has no bearing on Ireland's targets under agriculture, energy and transport.

Mr. Brian Carroll: It has a bearing on the decarbonisation of our energy system. It obviously does not have a bearing on agriculture targets. The ETS is an EU-wide policy mechanism to reduce emissions in large industry and electricity generation. The EU has a target to reduce emissions in the ETS, which contributes to this and reduces emissions on an economy-wide basis in Ireland.

Mr. Tom Donnellan: We have approximately 1,600 employees, of whom 400 are seasonal and half are in non-peat related businesses, so they are currently not affected by anything to do with peat. Approximately 400 are affected by the closure of the two power stations. We are redeploying 210 of those to rehabilitation and some to other new businesses. We have opened a voluntary redundancy scheme in which we are targeting between 150 and 180. If we do not get that many, we will redeploy the rest, but we are oversubscribed for that.

Mr. Seán Armstrong: The midlands retrofitting project has been developed by the retrofitting task force. The final boundary or area to be included has not been finalised yet. Some work has been done with the Department of Communications, Climate Action and Environment and the Department of Housing, Planning and Local Government in this area. I understand that further advice is required from the Attorney General's office to progress this further so those are all the details I have.

Deputy Michael Fitzmaurice: Is Mr. Armstrong saying that, even though it is announced, we do not know what the transition fund for what we are calling the midlands is?

Mr. Seán Armstrong: We know what the core counties are likely to be. The full scope of the area has not been decided. The final boundary will be decided based on the economic stimulus required for the region and the clusters of the houses that will be identified to put together. At this stage, exactly what those counties are has not been finalised by the task force.

Deputy Denis Naughten: I apologise for being late. I was in the House too, trying to put a tax incentive in place for Bord na Móna and the ESB. I will be brief because I am going back into the House again.

Deputy Bríd Smith: They do not need one.

Deputy Denis Naughten: Mr. Armstrong referred to the midlands scheme. It must include Roscommon and east Galway, where Bord na Móna sites adjoin the two powers stations. Have any shallow retrofits not gone ahead as a result of rent arrears? Local authorities previously used that policy to penalise people who were in arrears. Those people were in fuel poverty and could not access the retrofit. Can Mr. Armstrong assure us that families in fuel or other poverty will not be penalised in the context of the deep retrofit?

I point out to the officials from the Department of Communications, Climate Action and Environment that representatives from the SEAI appeared before the committee last week. I specifically asked what the SEAI will do to try to get contractors in the midlands to start doing some of this work. It seems seemed a fairly sensible question to ask. The representatives stated that it had nothing to do with the SEAI. Will the latter be directed to engage with contractors across the midland counties to ensure that there are sufficient local contractors to carry out the work?

Mr. Goodwin will be aware that the ESB decision not to resubmit a planning application will change the energy mix. It will impact on grid stability, particularly in the north west, and demand for electricity in the Dublin area. The only renewables on the grid are wind and solar and some hydro. Biomass will go off the grid in 2023 if the plant in Edenderry ceases production. Is Mr. Goodwin concerned that the removal of biomass could significantly constrict our energy mix?

What are the ESB's plans for retaining the plants in Lanesborough and Shannonbridge? We do not want a repeat of the mistake made in decommissioning the sugar plants in Carlow and Mallow. All our bioethanol is being imported because we have no way of processing it here.

Will Mr. Donnellan outline the status of bioenergy within Bord na Móna? As he is aware, in 2017 the Government decided to establish a supply chain for biomass into Lanesborough and Shannonbridge. There seems to have been a deficiency in that regard in the planning application that was submitted by the ESB. The decision of An Bord Pleanála that no imported biomass can be used for power generation has a significant impact on the development of a biomass industry because in order to encourage farmers to grow biomass, there must be demand for the product. One cannot meet demand without importing biomass in the short term. We have the ability to grow and deliver a significant amount of biomass, which would have climate benefits as well as economic benefits across the midlands. As the decision of An Bord Pleanála has not been appealed and no new planning application submitted, the decision effectively shuts down our biomass sector.

I apologise in advance if I return to the Dáil before the witnesses finish replying. I will see their responses in the Official Report.

Chairman: The witnesses have two minutes to respond to the Deputy's questions. If any of the questions were answered already, it is not necessary to address them again.

Mr. Brian Carroll: On retrofitting, several things are going on in parallel. A task force is in place to design the new aggregated retrofitting model.

On the just transition, €20 million has been ring-fenced and targeted at the midlands. There is another €6 million in the just transition fund for the retraining and reskilling of workers. A key objective of the just transition aspect of the climate action plan, as well as the plan more widely, is to identify and exploit opportunities, such as through the ambition to retrofit half a million houses by 2030. The pieces are in place to achieve the type of goal the Deputy is talking about.

Mr. Michael Goodwin: On the energy mix, we have been assured by EirGrid that the closure of the plants will not impact on the stability of the grid and that it can be operated without them. The removal of peat from the energy mix will reduce it, but the use of peat in electricity generation was coming to an end anyway in light of climate change.

Deputy Denis Naughten: Was it EirGrid that stated there was a need for Grid West and Grid Link?

Mr. Michael Goodwin: EirGrid is the transmission system operator.

Deputy Denis Naughten: It told us they were needed and then stated they were not.

Mr. Michael Goodwin: There are other tools for ensuring the appropriate level of electricity generation, including capacity auctions. On EirGrid, there are several tools in place to ensure security of supply.

Mr. Jim Dollard: Regarding the future of the plants, we are very disappointed that our application was not successful. We saw those plants as part of our transition into a different future. However, our planning application was unsuccessful. The nature of that failure in the planning process means that there is no future for the current configuration on those sites. That gives me no pleasure, but it is the case. The existing planning permission for the site requires us to dismantle it within two years of the end of operation of the plant, which will be at the end of next year. We will be obliged to have dismantled the station by the end of 2022. We will seek other uses for electricity infrastructure. It is an important site and we will seek to pursue other opportunities for it but the current plant and infrastructure will have to be dismantled under current planning.

Mr. Paul Benson: On arrears, local authorities pick the houses to be retrofitted. We generally do not have sight of the reasons why a house might be excluded.

Deputy Denis Naughten: Is it not a moral issue that those in fuel poverty are the ones who do not have the retrofit carried out?

Mr. Paul Benson: I will finish the point I was making. I am aware, as all present probably are, that local authorities previously refused to carry out maintenance as a result of non-payment of rent. It is a somewhat counter-intuitive approach. The houses are owned by the local authorities and they do not wish for fabric degradation to occur. We will take the Deputy's

point on board. It can be a stipulation of the scheme that rent arrears will not be a consideration.

On Roscommon, my colleague has dealt with the issues relating to the midlands. We will take back the Deputy's strong views in that regard.

Dr. John MacNamara: On imported biomass and biomass in general, without getting into the detail of the decision relating to the ESB, imported biomass is not outlawed. A very clear definition or schema was introduced in June 2018 in the recently recast renewables directive which laid down very specific and objective criteria that biomass must meet in order to be deemed sustainable. It is also necessary to meet EU timber regulations and the very strict phytosanitary conditions set by the Department of Agriculture, Food and the Marine. In essence, biomass and sustainable biomass are effectively the same thing, irrespective of their origin, as long as they meet the sustainability criteria set out in the EU directive.

Deputy Denis Naughten: That is not what is in the decision of An Bord Pleanála which will set the precedent because it has been allowed to stand.

Deputy Danny Healy-Rae: I welcome the witnesses. They are only doing their jobs. It is difficult for me to stomach what I have heard at this meeting regarding what is happening in the midlands, especially because, although I have always believed the climate changed, I do not subscribe to the reasons being given for that. The decision to close many of these plants within a year as a result of the ruling of An Bord Pleanála, rather than eight or nine years as was supposed to be the case, is one of the worst decisions in recent times. Shannonbridge and Lanesborough and all of Littleton are gone. There are still thousands of acres of bogland left. My grandmother used to say wilful waste makes woeful want. We do not have coal reserves, we do not have gold reserves, we do not have oil reserves like many other countries have, but we had a little bit of bog and I thought that it should be used for as long as it was there. That is not the case now. I am amazed when I hear the way the people are being bought, but the people realise it on the ground. The people of the midlands will realise it very shortly because it is one thing to say one will have jobs for bog rehabilitation for 210 people. How long will those last? As I understand it, rehabilitation could just mean closing drains, turning off pumps and letting more water in and stopping it going out.

Mr. Tom Donnellan: We anticipate that the first phase of rehabilitation, which is 55,000 ha., will take about four years. Keep in mind that Bord na Móna has ownership of only 5% of the peatlands of Ireland. The potential beyond Bord na Móna, with the National Parks and Wildlife Service, and other peatlands, is immense, but the current plan that we have in front of us is 210 jobs over four years and potentially longer. The potential for rehabilitation is huge.

Deputy Danny Healy-Rae: How are those in the service industry, the little shops, the filling stations or whatever, going to survive after the jobs are shut down? The other thing that I am amazed at is that no one here knows the definition of the boundaries of the places that are going to get assistance. It is amazing that no one here can define that in spite of the fact that the Government is bragging and blowing up here in the chambers every day that such a fund is available and no recognition is given, even in the recent budget, to the fact that the stations are closing down six or seven years sooner than they were supposed to because of the Bord Pleanála decision. All of this is a desperate reaction to the Greens winning a few extra seats in the council and European elections and the fact that Fianna Fáil and Fine Gael want to be greener than the Greens. It is the people in the midlands who will be affected. I know that people from Kerry, including my own father-in-law, came up working in Bord na Móna back in the 1930s and 1940s. My own brother worked for Bord na Móna in later years. I know what

the jobs mean to those people and to all the other people who work there. What will happen to the briquette operation and the moss peat? There was endless opportunity to continue that, as I understand it.

Chairman: I am conscious of the Deputy's time. Are his questions about peat briquettes and moss peat?

Deputy Danny Healy-Rae: I will just ask the other ones. What is going to supply the grid if, as we say, the wind slows down? Are we going to be able to store the electricity from the wind farms? I am not sure that we can. One talks about reskilling workers but for what? What are the jobs that one is talking about? What jobs are we going to put people into? It is fine to say they will be reskilled, but what jobs do we have for them? I want to know. That is the question I have been asking. The retrofitting of houses is grand and we would all like that for everyone. Is it just buying people to get them off one's back so that they will not complain too much? I think this is terrible, and when we actually hear that the Chinese are drawing coal from Poland and they cannot stack it quickly enough on the land so are stacking it in the sea. This is what is happening in Ireland, closing down whatever bit of fuel and energy that we had of our own, set up in the 1930s and 1940s by politicians who would be turning in their graves if they could see what was going on in our country.

Chairman: Your time is up, Deputy Healy-Rae, but I am just conscious that you raised a number of issues there. I do not know if we can do it all within a minute.

Mr. Tom Donnellan: I will do it in less than a minute. Deputy Healy-Rae asked a lot of very important questions. We have in the middle of Offaly a place called Mount Lucas, to which I invite the committee and where they can see first-hand what we are doing in rehabilitation, our new jobs, our skills and our training. I sincerely invite the committee at their convenience to come and visit it and get a feel for the substance beyond the words.

Chairman: I thank Mr. Donnellan. I call Deputy Dooley.

Deputy Timmy Dooley: I thank the Chair and I apologise to the guests, because like Deputy Naughton I was caught in the Dáil on a health debate earlier, but I did get a chance to read some of the stuff, and I am reasonably familiar with some of the issues. I am not going to rehearse matters because I assume a lot of the questions have been asked. I was here for the ICTU presentation, and there seemed to be some concerns expressed there which I am sure have already been put to the committee, so maybe Mr. Carroll, to try to help us understand, would outline how he sees from a policy perspective the just transition commissioner being able to navigate those potentially choppy waters between all sides - the powers, the terms of reference and what ultimate control the commissioner will have. I have not had an opportunity to discuss this with him although he is somebody I have known by reputation and on a personal basis for a number of years. He certainly has the capacity to do it if he has the appropriate powers and the wherewithal, because to get a just transition, it clearly requires somebody with power and authority to bring all the sides together.

On the Bord na Móna side, it does not affect my constituency other than people who travel from my constituency to the location in question. I know others have addressed that matter. On the ESB side and around the just transition, I have been in touch with the ESB in the past about what role it would play, particularly in the decision to reduce activity at Moneypoint. I think it is well established now that an arrangement is in place where 100 workers over a relatively short period will leave the operation. While that might work from the company's perspective, it

has a really devastating impact on the communities that are served by it. Of course, it was done in a collaborative way and people made lifestyle decisions and maybe are reasonably happy with what package they have gotten. If one takes them out of a community, that is a loss to the community because the spending power is very significant in the west Clare area.

It is also recognised that Moneypoint was a good employer of contractors, and we have seen over the past 12 months many of those contracts come to an end. There are a number of sole suppliers in that region as well, so it is often presented as only 100 workers there and that they are well managed, well looked after and sorted out, but it is greater than that. There really is an important function to try to establish this just transition. We must consider how we can protect the communities against that loss of income and how can we find replacement enterprises; it has to be more than just money. That is why I would like to hear from the ESB. Does ESB have any ideas around how it can utilise the existing site? This goes back to what Deputy Healy-Rae said in some respects. There is a lot of talk about the potential for the capture of offshore wind off the west coast of Ireland, so I am not going to reiterate for the ESB the value of its own asset because it knows the value of the interconnector lines between Moneypoint and Dublin and how difficult it would be to get those in place across the country now. That site is an important asset. The deep harbour is an important asset. Does the ESB have a vision, or a process around which it is developing such a vision, to establish a position in the Atlantic Ocean to capture wind energy?

Mr. Brian Carroll: As Deputy Dooley will know, the just transition commissioner has just been appointed and the terms of reference have been published. They include engaging with all the relevant stakeholders, including Bord na Móna, the ESB, the trade unions and workers' representatives, local community organisations and so on. There is a long list published in the terms of reference. The commissioner, having engaged with the stakeholders and taking account of good practice elsewhere - domestically and internationally - is to make recommendations about the essential elements of a just transition for workers and communities, including through the measures announced in the budget, implementation of other actions under way, including under Project Ireland 2040, and any additional actions and measures deemed appropriate, as well as optimal structures and processes to support a co-ordinated approach. The commissioner will report quarterly to the Government, through the Minister. In the first instance, having just been appointed, we must give him a chance to set about doing this work and see what recommendations he chooses to make, having engaged in the way envisaged in the terms of reference. The commissioner will be supported by a secretariat both in the midlands transition team and by the Department of Communications, Climate Action and Environment.

Mr. Senan Colleran: Deputy Dooley asked a range of questions about Moneypoint, which I will try to cover in my response. The Government's 2015 White Paper on energy policy for Ireland set out that the ESB would transition away from coal by 2025. That decision was driven by two factors, one of which was the need to tackle climate change by recognising that coal has higher carbon than other fuels. In the past 12 months, Moneypoint has seen a radical change in its operation. It now has a running regime of about 10% of what it used to have. That is driven by two main factors, one of which is the price of carbon in the energy emissions trading scheme. That price has increased fourfold or fivefold in the past five months. A second factor is the penetration of wind in the system. Moneypoint's operation has swiftly changed, as have revenues. Recognising this fact, we started engaging with our staff and their unions earlier this year. We have gone through a process where we are aligning Moneypoint's resources with a future running regime. This is Moneypoint's best chance of continuing in operation until 2025.

We are currently considering options for the period after 2025. There are a range of options, all of which must be commercial and environmentally viable. Offshore wind is definitely a possibility and has huge potential for Ireland. We understand that the marine planning and development management Bill, which will be introduced later this year, will facilitate this. It is also worth noting that Moneypoint, as a coal burning station, has provided significant security of supply to the State for more than 30 years. At any point in time, there is enough coal in the yards to run a full load for two months generating approximately 900 MW. We are focused on working with our staff to ensure that our new plan will be put in place and will help the station to survive and continue in operation until 2025.

Deputy Timmy Dooley: I acknowledge that a sunset of 2025 was introduced for the plant in 2015. It was not expected that there would be a significant shift in employment terms as early as 2019. The expectation was that the company had four or five years to transition and get a plan together. That transition period has not been provided and I accept that commercial reality. Now that the bus has effectively stopped, it is time to get a plan in place. I question the idea that something has to be commercially viable. The ESB is a fantastic company. ESB international has developed technologies ahead of others, whether in laying lines under the sea or developing technologies for fixing those lines. The company has been way ahead of others. I would like to think the ESB was also advancing the case in terms of research and development and not looking purely at investment in a commercial venture. At some point, the capture of wind in the Atlantic Ocean will be commercially viable. Is the ESB investing money in research and development in nascent technologies and new ideas for the capture of wind or is it taking a suck it and see approach? Is it waiting for commercially viable developments elsewhere in the world at which point it will push these technologies out into the Atlantic Ocean? Is the ESB looking at the real potential of making Ireland an industry leader in the capture of offshore wind in deep waters?

Mr. Senan Colleran: Deputy Dooley is correct. The Moneypoint site has huge offshore wind potential and that is part of our plans. We are definitely looking at that. What we have done at Moneypoint is secure 86 jobs locally. The plant is still a large ratepayer and good employer in west Clare. We are very committed to Moneypoint, our people there and west Clare.

Chairman: We have to conclude. I thank the witnesses for what has been a very good engagement this afternoon. Deputy Smith wanted to raise a matter before we adjourn.

Deputy Bríd Smith: I want to table a motion. I do not know where I stand given the number of members who are still here.

Chairman: It is a proposal. Is that correct?

Deputy Bríd Smith: Yes, it is a proposal that the committee write to the Minister after this meeting with regard to Bord na Móna workers and their communities in just transition and request that he instruct Bord na Móna management to engage fully with the Workplace Relations Commission on a forum for just transition without delay and with immediate effect.

Chairman: Mr. Donnellan outlined that the WRC is part of the whole industrial relations process.

Deputy Bríd Smith: I am also aware that the Minister could do this.

Deputy Timmy Dooley: I have an open mind on the proposal. This is not meant to be a partisan, political statement but I regularly sit in the Dáil Chamber where motions are passed

instructing the Government and Ministers to do all sorts of things which are not done.

Deputy Bríd Smith: Deputy Dooley's party still puts motions and we still support them.

Deputy Timmy Dooley: I am happy to support the proposal.

Chairman: It is a proposal to the Minister. Mr. Donnellan outlined the process. It was not the case that he was against working with the Workplace Relations Commission but as part of an industrial relations process.

Deputy Bríd Smith: We must not forget what we heard in the first half of today's meeting.

Senator Alice-Mary Higgins: Just to be clear, while the WRC has an industrial relations role, the proposal relates not to the dispute mechanism but to the WRC acting as a chair to seek an agreement and stakeholder building space. It was an advisory discussion, not a dispute mechanism. While Mr. Donnellan spoke of dispute mechanisms and negotiations, what was being described was a forum. The latter is slightly different.

Deputy Timmy Dooley: To some extent, this is a bit like Hamlet without the prince. Maybe we should have the just transition commissioner before the committee before making a decision. We should not jump the gun. We had a good discussion and we heard both sides. I would like to hear from Kieran Mulvey to find out where he is at because we do not want to hamstring him either. Mr. Mulvey will be charged with making all of this happen. With no disrespect to Deputy Smith, I propose that we have the just transition commissioner before the committee, have a dialogue with him and then decide how to arm him with whatever it is he needs.

Chairman: Is Deputy Smith agreeable to that proposal?

Deputy Bríd Smith: No. I want to put the proposal I outlined when representatives of ICTU were here. I questioned them and the members heard their answers. An instruction needs to be issued to the board of Bord na Móna to engage with the process of a just transition forum which the WRC chair has already indicated he is in favour of and willing to engage with.

Deputy Marcella Corcoran Kennedy: Is it procedurally possible to do that given that Deputy Smith is proposing an action that was not on our agenda? The committee has not had a formal opportunity to consider the proposal, which arises from interaction at this meeting. Are we procedurally enabled to do this? It should also be taken into account that only four members are still present. Is it accurate to say that the committee was asked to consider this proposal if members were not here to do so? Could we defer making a decision on this until next week?

Chairman: We could defer it until the private session of next week's meeting.

Deputy Marcella Corcoran Kennedy: We could then have a proper discussion on it.

Chairman: We will deal with the proposal next Wednesday at 2 p.m., if members are agreeable to that. We will all be present at that time and we can draft something.

Senator Alice-Mary Higgins: I would like to indicate-----

Chairman: If fairness, many members are not here.

Senator Alice-Mary Higgins: In fairness, it was indicated earlier when many members were here.

20 NOVEMBER 2019

Chairman: The proposal was not made formally. People are gone now so, to be fair to them, can we defer the matter until the private session next week?

Deputy Bríd Smith: I cannot really object if it is to come before the committee next Wednesday.

Chairman: It is more democratic that way.

Deputy Bríd Smith: It is unfortunate because every delay in this matter is regrettable but I cannot really object because the point Deputy Corcoran Kennedy makes is correct; there is hardly anyone here.

Chairman: We will be dealing with it.

Deputy Bríd Smith: It is unfortunate that members did not stay.

Chairman: I would like-----

Senator Alice-Mary Higgins: When I stepped out, I indicated my support. Others could have done that.

The joint committee adjourned at 6.30 p.m. until 2 p.m. on Wednesday, 27 November 2019.