

SEANAD ÉIREANN

Déardaoin, 12 Deireadh Fómhair 2006.
Thursday, 12 October 2006.

 Chuaigh an Cathaoirleach i gceannas ar 10.30 a.m.

Paidir.
Prayer.

Business of Seanad.

An Cathaoirleach: I have received notice from Senator Tuffy that on the motion for the Adjournment of the House today, she proposes to raise the following matter:

The need for the Minister for Education and Science to give an update on the provision of additional permanent building accommodation for St. Andrew's national school, Lucan.

I have also received notice from Senator Terry of the following matter:

The need for the Minister for Justice, Equality and Law Reform to report on the decision of the European Court of Justice and its possible impact on Irish workers when it ruled that length of service is a legitimate criterion on which to award higher pay rates to certain workers and that employers do not have to justify on a case-by-case basis their pay structures based on the length of service.

I have also received notice from Senator Henry of the following matter:

The need for the Minister for Health and Children to outline the reasons facilities for children and adolescents who need to be detained under the Mental Health Act 2001 due to come into force on 1 November are not in place, particularly given that if such children are detained in a place deemed unsuitable, those responsible may be brought before the courts and subjected to a custodial sentence or a fine.

I have also received notice from Senator John Paul Phelan of the following matter:

The need for the Minister for Education and Science to outline the reasons for her failure to give a devolved grant for a building extension to Scoil Naisunta na Maigheine Muire, Ardattin, County Carlow in either 2004 or 2005 and to outline the current position regarding the necessary funds for this extension.

I regard the matters raised by the Senators as suitable for discussion on the Adjournment and I have selected the matters raised by Senators Tuffy, Terry and Henry and they will be taken at the conclusion of business. Senator John Paul Phelan may give notice on another day of the matter he wishes to raise.

Order of Business.

Ms O'Rourke: The Order of Business is Nos. 1, 2, 3 and 4. No. 1, statements on housing, will be taken on the conclusion of the Order of Business until 1.30 p.m., with the contributions of spokespersons not to exceed 15 minutes and those of other Senators not to exceed ten minutes each, and the Minister to be called upon to reply no later than five minutes before the conclusion of the statements. No. 2, statements on ageism, will be taken at 2 p.m., to conclude not later than 4 p.m., with the contributions of spokespersons not to exceed 15 minutes and those of other Senators not to exceed ten minutes each, and the Minister to be called upon to reply no later than five minutes before the conclusion of the statements. No. 3, Europol (Amendment) Bill 2006 — Committee and Remaining Stages, will be taken on the conclusion of No. 2 or at 4 p.m. if No. 2 has not concluded earlier and to conclude no later than 4.30 p.m. No. 4, the International Criminal Court Bill 2003 — Report and Final Stages, will be taken on the conclusion of No. 3, or at 4.30 p.m. if No. 3 has not concluded earlier, to conclude not later than 5 p.m. There will be a sos from 1.30 p.m. to 2 p.m. I hope there will not be a rush of university Senators from the House, given that all their votes have been lost.

Mr. Ryan: We have a very competent university.

Ms O'Rourke: I was referring to Trinity College, Dublin.

Mr. B. Hayes: I wish to return to an issue I raised on yesterday's Order of Business. On today's "Morning Ireland", the Minister for Education and Science confirmed that interest accruing on SSIA accounts is being regarded as income when it comes to determining the eligibility of families to claim third level grant support. Irrespective of whether this affects one family or 21,000 families, it is wrong to assess interest on SSIA's in this way. The Leader of the House was correct to remark yesterday that such an assessment will put groups of borderline families over the limit. Similar arguments have already been made in my constituency and we now have confirmation on the matter from the Minister.

I want the Government to take a decision not to disregard interest accruing from SSIA's for the purpose of assessed income, in view of the fact that it is a one-off savings scheme rather than a continuous deposit account. I urge the Minister, who is finely tuned to public opinion, to resolve

[Mr. B. Hayes.]

this issue by calling on local authorities not to press low and middle income families on their assessments. I will congratulate her if she can resolve the issue by Friday at 5 p.m.

Throughout the country, enumerators are working on behalf of local authorities to check the accuracy of the register of electors. A good debate was held in this House five months ago in which all sides called for increased support in ensuring a more accurate and up-to-date register. However, it has been brought to my attention that if someone calls to a house but finds nobody there, the resident is struck off the register if he or she does not subsequently contact the local authority. As many as 20% of voters in County Louth have been struck off the register because of failures on the part of householders to contact the local authority there.

The Minister for the Environment, Heritage and Local Government needs to advise this House on the exact guidelines on the issue. A dangerous prospect arises when people are taken off the electoral register and, while we all wish to see an accurate register, we need to address the issue of people being struck off merely because they have not contacted the local authority.

Mr. O'Toole: I strongly support the points made by Senator Brian Hayes on SSIA's. It is not good enough for the Minister to claim that only a small number of people will be affected because the issue will affect families which have skimmed and scraped over a number of years to save for an SSIA in the hope that the resulting bonus would help send their children to college. Now, however, the reward for their efforts is the loss of the grant. However small the number concerned, who among us wants to explain that our political decision has sent a family backwards? It is an unacceptable situation, and I believe Government Members feel as strongly as I do about the matter.

It may be true to say that a small number of people will be affected but what difference does that make to a family which made great sacrifices and prudent arrangements only to be refused a grant? The scheme should be regarded as a one-off bonus to taxpayers and an attempt to inculcate a savings culture. The Leader made similar points yesterday and, while I hesitate to make a party political argument, the Government has to address the issue.

Yesterday, Senator Morrissey referred to the importance of the Personal Injuries Assessment Board. While I should declare my interest as vice-chair of the board, I would welcome a debate on the matter. The annual report of the PIAB is awaiting Government approval, if it has not already been approved. Through the intervention of the PIAB, the price of premia has been reduced to an extraordinary extent and the cost of settling claims stands at 10% of the previous

figure. That represents significant savings for the State and for people purchasing insurance.

However, a problem arises in that we are coming to end of the first cycle and we need to be careful to ensure that we continue our work. The insurance market in Ireland needs to attract more people. I hope this House will offer its support because everything the PIAB does is challenged by some group or other. Every month, there are challenges to its work in the courts and elsewhere in order to prevent it from achieving its aims.

I ask the House to convey its congratulations to the former Senator, Dr. Maurice Manning, who has been appointed chair of the European group of human rights institutions. His appointment is a signal honour for him and for the Irish Human Rights Commission.

Mr. Ryan: As a long-time colleague of Dr. Manning, I fully share Senator O'Toole's opinion with regard to the appointment. I am at a loss to understand how anybody could have treated SSIA's in the manner described by Senator Brian Hayes. It is as if somebody, perhaps in a more financially focussed area than the Department of Education and Science, has decided that SSIA's were a big mistake and wanted to recoup the money. While the Minister for Education and Science seems too sensible to make a decision such as this, I suspect somebody beyond her decided differently. As the House will be aware, I see the malign influence of the Department of Finance in many areas of life, so I would not be surprised to see its hand in this matter.

Yesterday, reference was made to the continuing uncertainty on the future of Cork and Shannon Airports and the Government's apparent determination to break the promise it made that the two airports would begin their operations without debt. The Government appears unable to make a decision on the matter, with the consequence that the airports are also unable to make decisions on their future. If Cork Airport is landed with a debt of €160 million, the repayments will cost €10 per passenger for the next five or six years. That will have a profound effect on business passing through Cork Airport. Shannon Airport will have similar problems.

We now know that the Dublin Airport Authority is trying to manage the future of Shannon Airport from a distance of 120 miles and I presume it will attempt to do the same in respect of Cork. Cork and Shannon airports are in a worse situation now than they were when Aer Rianta offered some sort of formal structure. It is high time that the Government kept its promise by resolving the issue so that Cork and Shannon airports can develop as planned.

Today's newspapers published a report by Johns Hopkins University on the death toll in Iraq. It is a highly reputed university and I do not believe anybody should argue about the methodology. The work this university has done is unchallengeable. It reckons that 650,000 more

people have died in Iraq since the invasion than would otherwise have been the case. This is a huge figure and is twice to three times as many people killed in Hiroshima and Nagasaki combined. What is astonishing is not the figure but that it is being tucked away in the inside pages of our newspapers. Nobody wants to face this fact.

This information is effectively unchallengeable but it is being challenged by the usual spokesmen in the usual places in the White House. We are talking about 650,000 Iraqis who have died because of this exercise in liberation. It is time we said those 650,000 people were murdered by George Bush and Tony Blair. Let me not hear another word from the US Government about terrorism. The prime terrorists in the world are in the White House in the United States. The evidence is that 650,000 people have died in five years.

Linked to that I call for the beginning of a debate on war and armaments. We now have a €15 billion national pensions fund. The least we can do is ensure it is not invested in the armaments industry but we cannot get that categorical assurance from the fund. There ought to be a fundamental ethical principle that our future pensions should not be dependent on armaments or, incidentally, on tobacco. We would be correctly horrified if it was involved in the drugs industry. However, the fund is categorically refusing to exclude the armaments industry from its portfolio. The armaments industry will kill more innocent people in a year than the drugs industry. It is a fundamental issue and it is related to the scale of what happened in Iraq because we are tainted by that type of nonsense if we invest money in such industries.

Ms Ormonde: I would like to see an overhaul of the processing of, and the assessment for, third level grants. If such an overhaul took place, it might overcome the problem with the interest on special savings investment accounts. Perhaps that is an area we might examine.

I support Senator Brian Hayes's call for a debate on the register of electors. I would like the Minister for the Environment, Heritage and Local Government to come to the House to update us on the register and how it is being compiled and upgraded. There are many loopholes which are not being closed.

Mr. Finucane: In 2003, the then Minister for Finance, Charlie McCreevy, said that if the Government had not decentralised 10,300 people by December 2006, it did not deserve to be re-elected. That is interesting because, to date, just over 600 people have been decentralised. The figure will be 700 by December. It is farcical in the extreme to continue to talk about decentralisation, to purchase land and to construct buildings. An example of this is Birr to which FÁS was due to centralise. Of the 390 FÁS employees, only two people who were recruited recently have vol-

unteered to go. It is ludicrous and we need to look at the issue.

I saw in the newspaper this morning that Newcastle West is due to get 50 decentralised jobs which are included in the 600 figure. From information obtained during a recent Adjournment debate, Newcastle West will get 50 jobs in the Revenue Commissioners office in 2008. Almost all the 50 people are coming from the existing Revenue Commissioners office in Limerick city. I do not know of anybody who is coming from Dublin.

A few months ago a plaque was erected outside the location selected and the entire Progressive Democrats entourage from the county joined the Minister of State, Deputy Parlon, at the event. However, the jobs will not be decentralised to Newcastle West until 2008. The people are not even being trained in Newcastle West but are being trained in Limerick city in the existing Revenue Commissioners office. The decentralisation programme must be examined. The Government probably does not want to roll back on it because it has set an objective but reality and pragmatism are required.

Mr. Scanlon: On decentralisation, there is a success story in Tubbercurry, County Sligo, where 75 people from the Department of Community, Rural and Gaeltacht Affairs are located. The office is, however, temporary as it is intended to move the jobs to Knock. Another 75 people are due to move to Tubbercurry and they would do so tomorrow morning if they could but the space is not available at present. That is the other side of coin.

I support Senator O'Toole's call for a debate on the Personal Injuries Assessment Board. There is no doubt it has made an enormous difference to the cost of motor and other insurance. It is imperative we support it in every way we can. It has made a tremendous difference to young people in terms of the cost of insurance. I often spoke about the cost of insurance for young people when they were quoted £4,000 to £6,000 for insurance. They can now get insurance for as low as €2,000. That is helping to keep people at home in rural areas.

Mr. Norris: I support what my colleague, Senator Ryan, said about the situation in Iraq. It was the type of thing I said last night during the debate on whether we should transmit information to the United States Government. People talked about democracy but since Mr. Bush's election, "democracy" is a word which makes me want to puke every time I hear it. We talked about democracy in the European Union and the way the European Parliament found out that what was being done in terms of transferring this information was illegal but what did it do about it? It was referred to the European Court of Justice and it found it to be illegal but it continued to transmit the information. How demo-

[Mr. Norris.]

cratic is that? They are all sucking up to the United States.

Some of us raised these issues before when the *Lancet* produced figures over a year ago. It said that more than 100,000 had been killed but it was rubbished and the figure is now in excess of 600,000. The methodology was impugned. The methodology is irreproachable in this case which involved professional epidemiologists. There is no question of doubt whatever. However, we should not be surprised by the reaction. The US Government is deeply criminal. It advocates and practises torture, saturation bombing of civilians, assassinations and murder. It has managed to make a complete botch of the trial of its former ally, Mr. Saddam Hussein. His trial has been vitiated by the way in which it was established. Prejudicial comments were made by the Government there assuming he was guilty before the trial even commenced. A number of advocates of Saddam Hussein were assassinated and then the judge was removed by the Government.

An Cathaoirleach: We cannot have a debate on that matter.

Mr. Norris: I call for a debate on the matter. I found the Leader's comments on the Trinity College Dublin situation a little difficult to follow but if I am correct——

Ms O'Rourke: Some 748 votes have vanished.

An Cathaoirleach: That is not relevant to the Order of Business.

Mr. Norris: I beg your pardon, a Chathaoirligh, it most definitely is and you know that and are just being roguish. It is relevant to the Order of Business because I put the matter down as one for the Adjournment debate as I was aware of it. It is quite scandalous and it fits in very much with what Senator Brian Hayes said about deficiencies in the electoral register. This was an administrative error. There is probably approximately one year to go before the general election and there is no reason these 742 graduates could not be included on the register. A statutory instrument was used in a parallel case some years ago and I call on the Minister, as I will during the Adjournment debate which I hope will be taken in the next few days, to ensure these 742 graduates are not disenfranchised.

The issue of the special savings investment scheme is a scandal. Most of the wealthiest people in this country do not pay any tax. Even our valued and beloved Taoiseach, Deputy Bertie Ahern, did not seem to pay much tax on the various gifts he received and yet people who have been encouraged to save will be penalised. At the time this scheme was launched, I heard senior members of Government on radio being quest-

ioned by concerned members of the public who asked if they would be pushed over the limit if they saved. They were told that would not happen. Those guarantees were given and they must be honoured. This is a sign of meanness on the part of local authorities. It is quite characteristic. I previously raised a case, which the Cathaoirleach may remember, where a blind student got a grant because he was so brilliant to do a PhD in history and the local authority tried to subtract the value of the grant from his blind pension. How disgusting, mean and cheese paring can we get. We in this House have got to stand up for the rights of the little people.

Labhrás Ó Murchú: I, too, wish to support the call for a debate on Iraq. In the early stages of that conflict, Members of this House opposed the invasion and pointed out clearly that some of us felt it was illegal. We now know the reasons given were based on lies. The invasion did not have the *imprimatur* of the United Nations at that time.

At the time, some people may even have projected the idea that in some way we were anti-American. This was absolute nonsense. It is now evident we were reflecting the views of the American people, as the majority are now questioning the continued occupation of Iraq. They are questioning the deaths which are enormous but to aggravate matters they see the worsening situation in the world.

One does not require a great deal of common sense to see that if young Muslims, in particular, view as we do, the hypocrisy, lies, mayhem, destruction and vested interests, that we are creating a breeding ground for terrorism in the future. One can well ask why that should concern this Chamber or Ireland. We are now talking about global terrorism. No matter how small or how weak the voice, it is important we put that on record now. Senior Republicans are now coming out of the woodwork in America. It is not just the Democrats anymore. There is some focus on changing the endgame. We should now be independent. In fairness to the Government, I believe it has done a good job in this regard but we should express independent views now to focus in the right direction and not just consider political and economic expediency *vis-à-vis* the big powers of the world.

Mr. Norris: Bravo. Well said.

Ms Terry: I ask the Leader to facilitate us in bringing the Minister for Social and Family Affairs into the House to provide us with an opportunity to voice our concerns about the growing plight of poorer people — those people who are either on low income or are trying to survive on welfare benefits. In recent days we heard calls from the Combat Poverty Agency regarding 200,000 children who should receive hot meals every day in schools. Currently, 50,000 children are in receipt of hot school meals. The

Combat Poverty Agency is concerned that 200,000 children of poor families should receive hot meals every day in schools. We should facilitate that in schools.

The Combat Poverty Agency also highlights the increasing number of families who will be cold this winter because they cannot afford the rising cost of fuel. The benefits they receive will not meet the present costs. There are many issues we need to debate before the budget to see what we can do to help the poorer members of our community.

Ms White: Hear, hear.

Ms Terry: At a time when we have such wealth in our country we also have a growing number of poor people. If possible, we should have this debate before the budget.

Mr. McCarthy: Will the Leader seek clarity from the Minister for Social and Family Affairs regarding a press release he issued in April 2006 relating to lone parents? At that stage he stated, he would “end the cohabitation rule by making it neutral in terms of influencing people’s basic choices regarding their living arrangements”. I contacted the Department last week on behalf of an individual who came to my clinic who was using this provision to get a mortgage. This person wanted to progress but was refused a mortgage on the basis that this provision has not yet come into effect. I phoned the Minister’s office on a number of occasions and spoke to civil servants but they said the measure had not yet come into effect. I am interested to learn when the Minister intends introducing this measure as it is creating difficulty for many lone parents around the country.

Mr. Coonan: I support the call for action on SSIAAs, as proposed by the leader of the Opposition, Senator Brian Hayes. This is another example of penny-pinching policies by the Government. Senator Finucane referred to another example of this yesterday in regard to nursing home subventions, in that it is now the case that 5% of the value of one’s home will be regarded as income. I support the call for a debate on this issue.

In regard to SSIAAs, I am most disappointed the Minister for Education and Science, Deputy Hanafin, a fellow Tipperary lady for whom I have the utmost respect, is allowing this to happen. I put it to the Leader that there is little wonder there is cynicism among young people about politicians and politics because, on the one hand, their parents are being penalised for doing what they were encouraged to do, namely save, and, on the other hand, the Taoiseach has been explaining for the past two or three weeks why there was no need to pay tax in various situations whether it was for personal loans, gifts or whip-

rounds. This is an urgent issue and I support the call for a debate on it.

The issue of free education could be added to the debate. This is a myth, especially at primary level with the high cost of books, the ongoing collections it is necessary for people to make to provide school equipment and to keep schools going and up to standard. I support the call for an urgent debate on the matter.

I agree with Senator Norris, except to say that it is unfair to blame local authorities. They are obliged to implement schemes and they are bound by regulations and rules that are put in place by the Minister. It is not fair to blame local authorities for the penny-pinching that is taking place.

Mr. Quinn: As we are talking about blaming local authorities, yesterday the chairman of the planning board blamed local authorities for the huge waste of money that is occurring because of planning permission being given on motorways. Motorways were designed for long journeys but instead, to a very large extent, they are being used by local authorities to put shopping centres or business parks alongside them. This means they are being used for short journeys. The reason I raise this issue is that the chairman of the planning board has said this is a wake-up call and that the money that has been spent on motorways could be wasted within ten years unless something is done.

The chairman gave a briefing on Bord Pleanála’s annual report yesterday. This report is worthy of serious investigation. Another aspect to which the chairman referred was the large number of planning appeals that are not being dealt with in the statutory period of 18 weeks. I am sure this is due to a shortage of funds. Only 53% of planning appeals are being decided on within 18 weeks. I assume this problem can be solved with more money but whatever is the cause we should be doing something about it.

When we make a decision to spend money on roads we appear to only work normal hours on those roads. In other countries the digging up and closing of a road is considered as a costly exercise for the nation as a whole, whether it be in time, petrol or whatever else. We only use eight hours per day to repair roads while in other countries they use 24 hours to repair them and the work gets done in one third the time we spend. I am not sure how we solve this problem. It is not necessarily the remit of local authorities or the National Roads Authority but it is something we should address. We should look at the overall cost of closing roads.

Dr. Henry: Like Senator Ryan, I was interested in the reporting of Iraq’s appalling death rate. This morning, I bought the *International Herald Tribune* because I was sure the story would be on its front page, but it is on page five.

[Dr. Henry.]

Last night, there was a television debate on the report, which was published by the Johns Hopkins University, one of the most prestigious universities in the world. The methodology behind the report is being queried, but that methodology was developed in Harvard. While I have not heard of it being rubbished in any other instance in which it was applied, President Bush asked why the figures from Iraq's morgues are not the same as the report's figures. I have heard anecdotal evidence that, for their own good, doctors in Iraqi hospitals are advised not to count what is going in and out of their morgues too carefully. It would be better for them to leave the country were they to give the accurate statistics, which some did. They have since sought the sanctuary of Syria.

Will the Leader arrange a debate on Iraq? Previously, she has allowed such a discussion several times and she can see that Members on all sides of the House are alarmed by what is happening in Iraq.

Ms White: Hear, hear.

Ms O'Rourke: Senator Brian Hayes raised the issue of interest on SSIA's and asked that it be treated as a "disregard" item in means testing. I congratulate the Senator on raising an issue that has since received coverage and in respect of which there is general agreement. I hope the Government will examine the matter. Often, I work on the basis of the telephone calls I receive, of which there were two relating to this issue this morning. In both cases, parents who had invested wisely in SSIA's were just over the amount allowable. They found the interest, small though it was, tipped them into "not granted" status. I do not view the number of people affected as a criterion and I intend to make representations on this matter at our parliamentary party meeting.

The Senator raised the issue of the Register of Electors, which our parliamentary party debated this week. In County Westmeath, enumerators are ordered to call to each house three times if no one is at home the first two times and, on the third visit, to leave the form. This is fair.

Mr. B. Hayes: That is not happening everywhere.

Ms O'Rourke: If nothing happens after three visits and leaving the form, there is no great interest, but I cannot believe people call to houses only once and tell the occupants who have not returned their forms they cannot be on the register.

Mr. Finucane: Are the enumerators calling between 9 a.m. and 5 p.m.?

Ms O'Rourke: No. In my county, they call between 5 p.m. and 9 p.m.

Mr. B. Hayes: That does not happen everywhere.

Ms O'Rourke: Enumerators are paid on a *per capita* basis in respect of names added to the register. Therefore, there is an incentive for them to get as many names as possible. There should be uniformity across the country. This matter is worthy of a debate and I will endeavour to arrange it.

Senator O'Toole raised the matter of SSIA's and asked for a report when the report of the Personal Injuries Assessment Board has been approved, which will happen during the next few days. Senator Morrissey raised this issue yesterday. Senator O'Toole congratulated Dr. Maurice Manning on his new position as chair of the European group of human rights institutions. That is Dr. Manning's due, as he is the ideal person to address such matters.

Senator Ryan wished to join Senator O'Toole in congratulating Dr. Manning, a previous Leader of the House, and raised the matter of Cork and Shannon airports. I fear this issue will limp along with nothing getting done.

Mr. Ryan: That is correct.

Ms O'Rourke: Cork Airport has beautiful new facilities that everyone has praised and many people use. I always said the State Airports Act 2004 was deficient in many respects. It was a wing and a prayer. Let us get something done.

Mr. Finucane: Hear, hear.

Mr. O'Toole: The House was misled.

Ms O'Rourke: The money to close the gap has not been forthcoming, but I hope the matter will be settled.

Senator Ryan referred to the figure of 655,000 people found in the data from the Johns Hopkins University, which everyone recognises. The war in Iraq is an obscenity in terms of human life lost, nature and the world, but people keep excusing it. I cannot understand how Prime Minister Tony Blair can enjoy himself in light of such carry on.

Senator Ryan also raised the matter of our pension funds being invested in the armaments industry. That investment would be wrong because it would encourage further investment.

Senator Ormonde preferred an overhaul of the third level grants system in the course of which the SSIA issue could be examined. While worthy, it is a long-term project. I agree the SSIA issue must be re-examined.

I am sorry that Newcastle West has not experienced a more satisfactory resolution to the decentralisation issue, but there are a number of good stories. Senator Scanlan spoke about Tubbercurry's success and Senator Moylan, the Government Whip, told the House about 165 people decentralising to the Department of Finance in

Tullamore and settling down in what has been a good operation. While there are minuses, there are also pluses.

Mr. Finucane: I acknowledge that, but a sense of realism and pragmatism should exist at this stage.

Ms O'Rourke: The matter is being examined realistically. While people point out deficits in such situations, there are also great credits. Perhaps it is more difficult to get people to move to the areas in which decentralisation is not working because they are not as attractive as Tullamore or Tubbercurry. Sligo is an attractive county.

I agree with Senator Norris's comments on Iraq. I am unsure as to whether the Senator should be Saddam Hussein's advocate. The matter of the Trinity graduates to whom the Senator referred is a muddle to me. The names or forms of some 742 graduates have gone missing.

Mr. Norris: We have the forms, but the question is one of accepting them, which the Minister can do.

Ms O'Rourke: Yes. The Senator has tabled the matter as a motion for the Adjournment. It would be a suitable debate.

Senator Ó Murchú said some strong words about Iraq. When I called the invasion illegal, I was rapped across the knuckles 45 times, but I remember that the Senator always spoke strongly on the matter. Iraq is a breeding ground for young Muslim terrorists.

Senator Terry asked for the Minister for Social and Family Affairs, Deputy Brennan, to attend the House to debate the Combat Poverty Agency's calls for meals in schools. She also asked for a debate on the economy before the budget. Last week, Senator Mansergh called for such a debate prior to the budget — we do not have debates on the economics of the budget — whereby we could set out our stalls. I will endeavour to arrange the debate.

Senator McCarthy raised the matter of cohabiting lone parents. We were told the days of peeping from behind hedges to determine who was entering or leaving a house were over, but they are not. I also telephoned the Department because we were told that cohabitation would not be a hindrance to people getting their allowances. While this provision should be official policy, it has not become so yet.

Senator Coonan raised the matter of SSIA's and how they relate to the free education myth. A great deal of taxpayers' money is spent on education, forming a significant financial commitment for which parents have always wished.

Senator Quinn raised the issue of An Bord Pleanála, which is a disgrace. One cannot make representations to it. The board will take a telephone call, but one will be told nothing. The Senator referred to the specific case of shopping

centres and shorter road journeys. It would befit the chairman of the board to attend to his business.

I am dealing with one planning case, which has gone from April to July, July to September, September to October and now to November, and all I am told is that it is not known why there has been such a delay and that in any event, staff are not allowed to say why. I understand they are protected by legislation and cannot say, but it ill behoves the person who cannot manage his own emporium to start giving out wise sauce about other matters.

Mr. B. Hayes: Hear, hear.

Ms O'Rourke: I had to get that off my chest. I do not mind their decisions; that is their own business.

Mr. Finucane: It is making their decisions.

Ms O'Rourke: It is their carry on about putting back a matter repeatedly. It was five times put back.

An Cathaoirleach: We would want to proceed with caution, given the fact that they cannot be identified.

Ms O'Rourke: All right. The Senator also spoke about working normal hours on the roads.

Senator Henry raised the appalling death rate in Iraq. I agree with her that Johns Hopkins University is so highly regarded; Harvard is as well. We would seek to have that debate as quickly as possible.

Order of business agreed to.

Housing Policy: Statements.

Minister of State at the Department of the Environment, Heritage and Local Government

(Mr. N. Ahern): I am pleased to have the opportunity to address the Seanad to outline recent developments in housing policy and to update Senators on the positive effect of our policies. We all would agree that housing is a vital element in our national infrastructure and access to good housing is essential to our continued economic success. This is why housing has been high on the Government's agenda since we took office nine years ago. It was clear then that demand was outstripping supply, with just 38,000 housing units completed in 1997. Action obviously needed to be taken and nobody can argue that we have not delivered results.

In the intervening period half a million homes have been built. Indeed, it is staggering to think that three out of every ten homes in the country have been built in the period since the Government came into office nine years ago. It reflects the priority the Government has accorded to ensuring the necessary procedures, systems, plan-

[Mr. N. Ahern.]

ning and resources are all in place to meet the needs of our people.

At this stage, it is likely that the number of new house completions this year will exceed all previous records. I mentioned that in 1997 total housing output was 38,000. Earlier, in 1991-92, output was approximately 22,000 houses. Output, therefore, has increased from 22,000 houses in the early 1990s, to 38,000 houses in 1997, and has increased every year since. It was 81,000 last year and it looks clear at this stage that there will be a new record this year. In fact, we have the figures today for the first eight months of this year and I will be formally releasing these to the media later in the day.

Mr. Cummins: The Minister of State might as well do it now in this House and not mind the media.

An Cathaoirleach: The Minister of State, without interruption.

Mr. N. Ahern: That is what I am doing. I will be formally doing it later in the day. What it shows is that in the first eight months of this year 58,600 housing units — houses and apartments — were completed, an increase of 23% on the corresponding period for last year. If we hit 80,000 units last year, we are confident of being ahead of that figure this year. We should hit 90,000 units anyway. The detailed figures I can provide later give a breakdown by each local authority area or county. The ten year target of 500,000 new houses, which was set by the current national development plan and was to be achieved by 2010, will effectively have been delivered by the end of 2006, four years ahead of schedule.

Increased supply has improved affordability, although perhaps not to the extent that we would like. In 1997-98, annual house price inflation was at 40%. Since then it has steadied somewhat from those dizzy heights, but I appreciate that we have seen impacts of increased demand in the past year due to growth in population, growth in employment and overly aggressive marketing by some financial institutions, particularly in the case of 100% mortgages and interest-only mortgages. Having steadily, over five or six years, brought the annual rate of increase down to single figures, there is no doubt that products such as 100% mortgages have been at least partly responsible for the new burst of the increase over the past 15 or 16 months.

The figures last month showed that the rate of increase was slowing down a little but it is still 1% a month, which is 12% a year. Currently, it is running at 12% to 14% a year, well above the rate of inflation, which is 4.5%. While we have made some progress on price increases, I am not happy that we have reached a proper level yet.

Increased supply has also improved access to housing by first-time buyers. The number of first-

time buyers in recent years has probably been higher than ever before. It is estimated that 45% of mortgages for new house purchases last year were taken out by first-time buyers. The percentage might be slightly lower if one were to look at second-hand houses because more first-time buyers have traditionally gone for new houses than for second-hand houses. As supply measures increasingly have effect and the market hopefully calms somewhat with interest rate increases and, I would add, responsible lending and more sanity in the mortgage lending area, we will resume the path towards house price moderation and stability in the market.

We have not relied exclusively on the market. We have taken a wide range of steps to address issues of affordability, particularly in the Dublin area where price pressures are most acute. In particular, the affordable homes partnership, which we established last year, will bring an important additional focus to bear on co-ordinating and adding impetus to the delivery of affordable housing in and around the capital. There are four local authorities in the Dublin area. A little co-ordination and co-operation between them was necessary and that is the main area of responsibility of the affordable homes partnership. We are awaiting the outcome of the partnership's call for extra land, applications for which they are currently processing.

In addition, we have made available a wide range of State and local authority lands for affordable housing and we have adopted innovative ways of bringing these into use — none more so than the land exchange mechanism. To date, we have exchanged three pieces of State property totalling less than two acres, in return for which we have received more than 500 discounted affordable homes. The speed of delivery has been also impressive. The deal for phase 2 at Harcourt Terrace was wrapped up only a few weeks ago but many of the houses are available. An advertisement for 200 houses in Clondalkin, Tallaght and Lucan was placed in newspapers last weekend while the advertisement regarding the 90 houses we received in exchanged for Broc House in Donnybrook will be placed in newspapers over the next few days.

The Part V mechanism is also crucially important in contributing to increased social and affordable housing output and I am determined to ensure that it reaches its full potential in this regard. Let us be clear on what is that potential. Part V only applies to larger housing developments on zoned residential land, which is important, and sight must not be lost of other important societal gains resulting from improved social integration. Opposition Members and media commentators, in particular, deliberately misinterpret Part V, which provides for up to 20% of a development to be set aside for social and affordable housing, depending on what is outlined in the local authority's housing strategy. However, Part V does not apply to one-off hous-

ing, developments of less than five units or developments on land that has not been zoned. It is primarily concerned with housing estates in large urban areas on zoned land. As more land is zoned near large cities and towns, the dividend from Part V will improve.

Part V output is gathering momentum, with almost 1,400 homes delivered last year. Up to the end of June, almost 2,800 homes had been delivered, which is significant for the families that have moved into them. Annual output is expected to increase over the coming years, particularly as the old planning permissions expire. When planning permission is granted for an estate or a house extension, the applicant has five years to avail of it. Many of the houses on sale, therefore, were built courtesy of planning permissions granted prior to the introduction of Part V. As these expire, the output under Part V will be greater. More than 3,800 homes were under construction under Part V at the end of June and deals were being negotiated for a further 4,100 homes.

The dividend from Part V will increase considerably over the next few years. Local authorities also received land under Part V because developers have the option of handing over land rather than completing units in accordance with the legislation. A further 1,000 homes will be provided on this land.

We cannot content ourselves with simply focusing on increasing supply because there is more to housing than the building of units. People want to live in quality homes, feel they are part of a wider community and have access to facilities relevant to their needs. These are among the principles underlying our housing policy framework, *Building Sustainable Communities*, which was published last December. The framework document outlines the key principles to underpin housing policy and investment over the coming years and it firmly places housing policy in the context of building sustainable communities. The focus is on integrated policies to ensure an effective private housing market, increased social housing provision and improved quality and management in the social housing sector and improved pathways to homeownership.

Our housing and planning policies must work in support of these objectives. The new social partnership agreement, *Towards 2016*, endorses the principles set out in the housing policy framework. The agreement commits the parties to working together on delivering important aspects of this agenda. A further policy statement is being developed, which will set out more detailed approaches to the issues outlined in the framework document.

The policy framework reflects our continued commitment to meeting the housing needs of the less well off. This commitment is amply demonstrated by the resources being invested in social and affordable housing measures. The total capital provision on social and affordable housing

output in 2006, inclusive of non-Exchequer financing, amounts to €2 billion, which is more than double the expenditure in 2000. We have met the housing needs of 100,000 households through the full range of social and affordable housing schemes since 1997.

The Government has committed in the social partnership agreement to further additional investment in social housing with 27,000 new units to be started or acquired over the period 2007-09. It is envisaged these new units will be delivered through a combination of local authority social housing, voluntary and co-operative sector social housing and long-term contracts for new supply under the rental accommodation scheme, RAS. Further households will benefit from the full implementation of the RAS involving contractual arrangements with landlords for existing properties transferring from rent supplement. In addition, we are committed to delivering some 17,000 affordable units over the period 2000-09. The needs of 60,000 new households will be met through social and affordable housing measures over the next three years.

Alongside the substantial increase in the provision of social housing, there is the equally important issue of ensuring this investment brings about an improvement in the quality of life of tenants and local communities. To this end, we will bring forward a programme of reforms to improve the effectiveness of local authorities in delivering housing services. Elements of the proposed reforms will require new legislation and, therefore, a housing (miscellaneous provisions) Bill is being prepared in my Department. Hopefully it will be introduced in the coming months.

A further important component of the new housing policy framework is the emphasis on quality. It is not acceptable that social housing should be compared unfavourably with private housing development. There should be a high ambition for social housing, and, therefore, we are committed to delivering high quality social housing in mixed community settings. The design and quality of social housing is much better than that which pertained between the 1960 and the 1980s. At the time, mass production was the norm and large local authority housing estates were built. Significant anti-social problems are being experienced on them nowadays because they are too large and they are not well designed.

Of the €2 billion being invested in local authority social and affordable housing this year, approximately €250 million is being spent on regeneration schemes and remedial works to correct many of the mistakes made in the past when we went for quantity rather than quality. We will not repeat that mistake. Modern housing is of a good quality and more attention is paid to design and potential anti-social behaviour problems. It is not a perfect world and planners cannot eradicate such behaviour but the design of housing estates is important and more attention is paid to that than previously.

[Mr. N. Ahern.]

Our concern is with the planning and design of new housing, the prioritisation of management and maintenance of estates and an intensification of efforts to rejuvenate much existing social housing. This will build on the almost €1 billion invested in regeneration and remedial works since 1997 and will include completing the installation of central heating in all our existing local authority housing under the highly successful capital investment programme introduced by the Government two years ago. It was estimated at the time that more than 40,000 local authority houses did not have central heating.

The take up of the scheme, which is 80% funded by the Department, has been very successful. Local authorities have taken to the scheme strongly and over the past two years a great deal of good work has been done under it. Hopefully, within a few years, all local authority houses will have central heating. The achievements I have outlined, the level of future investment in social and affordable housing measures and the policy reforms now underway all serve to underline our commitment to meeting a broad range of housing needs. We are not simply addressing the specific needs of one group or sector. Housing is for all of the people and the Government is delivering across the broad spectrum of housing need. This is the bottom line. We have the capacity, commitment, vision and resources to continue to meet housing needs.

That is a broad summary of the measures we are taking with regard to delivery and policy. I look forward to the comments of Members.

Mr. Cummins: I welcome the Minister of State to the House and welcome this debate on housing. There is a strong definable connection between housing policy and other areas of social policy. Studies have shown the connection between poor housing and ill-health and the link between housing and employment can be seen in both the difficulties of holding down employment while homeless and sustaining accommodation while unemployed. Strong links can be traced between housing and the availability of and access to social services. Inadequate housing can affect educational prospects and lead older people to an early entry to institutional care. In other words, suitable and sustainable housing provision is one of the most important issues entrusted to any Government and the current Fianna Fáil-PD Government has failed abysmally in its duty to provide affordable and sustainable housing across the sectors, leaving a legacy of poor planning and totally inadequate provision.

The Minister of State told the House that housing was high on the Government's agenda. I suggest he tells this to the thousands left on local authority housing lists for as long as this Government has been in office, which is more than nine years. They do not consider that the Government places them high on its agenda. No matter what

the Minister tells us here today, the facts speak for themselves. A foot on the housing ladder for first-time buyers is a step too far for most. In a report published last month by Halifax, the plight of key public workers, including gardaí, teachers and nurses, is highlighted, showing that they are being priced out of the market in four of the five major cities in the country — Waterford, Cork, Galway and Dublin.

The Government is cashing in at the expense of young home seekers, rubbing salt into the already open wound by taking up to 50% of the excessive cost of a first home in stamp duty, VAT, development charges and other charges. What concessions the Minister has made in terms of stamp duty is the part adoption of a Fine Gael idea which we included in our party policy. However, the €317,500 threshold it adopted is €90,000 lower than the average price of a house for a first-time buyer in Dublin. Will the Minister of State commit to easing the burden for first-time buyers by abolishing stamp duty entirely, particularly in light of the Tánaiste's strongly held conviction that the Government no longer wants the €2 billion it raises annually from stamp duty?

The Minister of State, Deputy Noel Ahern, stated recently in the Dáil and again in this debate that first-time buyers are the key buyers in the market and that 45% of mortgages taken out last year were taken by this sector, which, according to him, is a vindication of Government policy. What he did not mention is that, while first-time buyers may be forced to buy at inflated prices, this is done at a huge cost in terms of adverse effects on their quality of life for many years to come, as most of their resources must go towards putting a roof over their heads.

The Minister of State is aware that according to the recent census, despite the rising numbers of non-nationals, the population of Dublin increased by only 2% between 2002 and 2006. However, that of neighbouring areas increased dramatically, with Fingal showing a 22% increase, County Meath a 21% increase and County Kildare a 14% increase. This highlights the distances first-time buyers are forced to travel to their city of origin and work if they wish to purchase a house at a reasonable price, which puts a heavy strain on transport links and infrastructure.

The global house price boom of the past decade has been fired by a number of factors, one of which is the artificial restriction on the supply of land. New houses being built in Ireland are among the smallest in the developed world despite there being no shortage of land. While design and space issues have improved, these aspects contrast adversely with countries such as France, where the majority of new houses are of larger dimensions. With the economic boom leading to an increase in those trading up from smaller units, there consequently has been a surge in the price of large second-hand houses.

First-time buyers who are unable to get on the property ladder with a conventional mortgage

must take out a 100% loan and then cling on at the very bottom of the ladder. In the event of a fall-off in house prices, they could well find themselves facing substantial negative equity, perhaps up to 20% of the value of the property. Given five interest rate increases since last December, the majority of first-time buyers are already in trouble. The average working couple is being forced to spend an extra €257 a month on mortgage repayments, with the increases eating into the income of these buyers. *The Economist* highlights the existence of a large bubble in the Irish market. For now, the property bubble shows no sign of bursting but the existing fundamentals suggest this cannot continue much longer, and any change will have a disastrous impact on the Irish economy.

The biggest problem facing young people today is the complete and utter failure of the Government to get to grips with the housing crisis. Its *laissez-faire* approach to rocketing house prices has sickened those held to ransom by the knock-on effects of its right-wing policies. Only 903 social housing units — 719 local authority units and 184 voluntary and co-operative units — were built in the first quarter of 2006 according to the housing statistical bulletin. Despite this, the Government's response to the housing crisis has been the abolition of the first-time buyer's grant, a failure to meet commitments on social housing in the national development plan, increased VAT rates on houses and development levies that will increase the cost of houses by an average of €10,000.

As a result of the increasing price of housing for first-time buyers, more and more young people are forced to live with their parents until they are in their mid-30s. According to the 2002 census, there are now on average 43,000 people over the age of 30 who live at home. No matter what way the Government spins, there are indisputably in excess of 43,000 families on local authority waiting lists. This figure is considered by many housing agencies as a gross under-estimation according to the Department of the Environment, Heritage and Local Government housing needs assessment.

A mere 707 units were provided under the various affordable housing schemes in the last three months of 2006. Only 3,723 social housing units were built in the 12 months to September 2005, despite the estimate by the NESG that 10,000 units are needed annually. These are the facts and figures which no spin will hide. A mere 1,512 voluntary housing units were completed in the 12 months to September 2005, negating the promise in the 2002 programme for Government which states, "We will assist the voluntary housing sector so that the target of 4,000 accommodation units per annum envisaged under the National Development Plan can be reached." This is another false Government promise which is shattering the dreams of many young couples trying to get their first step on the housing ladder.

As we near the end of the reign of incompetence of the current Government, affordable housing is virtually non-existent. Some 100,000 individuals are still waiting for local authority houses and the voluntary sector is underdeveloped. There are still enough homeless people to fill the Point Depot — up to 5,000 people are without a home. Manifesto promises of more houses and a reduction of waiting lists are now a distant memory.

In the area of social housing the most neglected are men in their 40s or 50s who, due to separation or other circumstances, find themselves out of the family home and in urgent need of accommodation. These men are in a catch-22 situation. They want to keep in touch with their children but without suitable housing cannot have them for weekend or holiday stays. The Government should give priority to the provision of small units to house these and other single people for whom the prospect of receiving a local authority house is bleak, despite their circumstances.

Shockingly there are 492 homeless children in Ireland. The majority of them are in their mid-to-late teens but, shamefully, some 22 homeless children are under the age of 12, according to figures compiled by the Health Service Executive and the Department of Health and Children. The highest number of homeless children was recorded in urban areas such as Dublin with 210, followed by the south with 132, the west with 46 and the midwest with 43. The lowest level was in the northwest where five children were homeless.

The Government's social and affordable housing strategy is nothing more than an indictment of its years in office. The lack of clear guidelines has led to difficulties in implementing legislation. Planning permissions are being granted without the number of social and affordable houses to be constructed being definitively outlined. When local authorities seek to enforce the provision of these units, they are often told that including them would be in breach of planning laws.

Some developers are using bullying tactics to avoid handing more than 20% of houses in new estates for the accommodation of people on low-incomes. Some local authorities are not building social and affordable housing units, despite having the money to do so. The lack of clear guidelines on how Part V of the Planning and Development Act is implemented means that some developers are operating on a piecemeal basis and are avoiding their obligations. That is a fact and the Minister of State knows it as well as anybody else.

With houses at the top end of the market fetching figures beyond imagination, while in contrast mere infants being forced to live on the streets, it is easy to see where the current Government's priorities lie. The wealthy continue to prosper while the vulnerable and less well off struggle to access housing, which is one of the most basic human needs. The provision of adequate housing involves a number of complex issues, including

[Mr. Cummins.]

access, appropriateness, quality, environment, supply, affordability, choice of tenure and sustainability. For some, however, it is merely a dream which founders on broken Government promises and inaction.

Mr. Brady: I welcome the Minister of State to the House. I also welcome the opportunity to debate the housing issue again. We had such a debate some time ago during which I pointed out that our accommodation culture in Ireland over many generations has been one of home ownership. That is changing, however. The days of a young couple starting off and saving for a few years with the ultimate aim of leaving their parents and buying their own home are changing. We are increasingly moving towards what is seen as a European model of accommodation. For many years, long-term leasing, lettings and rentals have been the norm in countries such as France, Germany and Holland. We are slow to change here, however, and while that culture is changing it will not happen overnight. It will take a long time for such a change to take place.

As the Minister of State has pointed out, we are trying to keep pace with dramatic changes in demand for housing, which have taken place in a relatively short space of time. According to all the forecasts, this phenomenal growth will continue. This year alone, we could reach 90,000 new housing units. There has been a year-on-year increase in housing of up to 10% for the past few years and that trend is set to continue. The value of 90,000 new housing units to the economy will be €31.5 billion or approximately 23% of our gross national product. That is a huge figure.

Some 264,300 people are employed in the construction industry, which is a massive chunk of employment. Anything we can do to sustain that can only help. While all the forecasts are that this growth is set to continue, it does bring problems. Nobody is saying we do not have such issues to face. This Government and its predecessor accepted at an early stage that the key to the issue is supply. The Government has taken a number of successful measures in recent years to tackle the issue of supply.

The previous speaker referred to the recent census. From April 2005 to April 2006, our population increased by 104,100. To counter that we have produced up to 90,000 jobs to cater for these people. As has been pointed out, the population growth is accounted for by a mixture of inward immigration and other factors. We have taken measures to cope with that situation but it still represents a phenomenal amount of people in a relatively short space of time. Any measures we take will need time to come into effect. A number of programmes and schemes to which the Minister of State referred, such as Part V of the Planning and Development Act, will take time to come into effect but we are seeing those effects now. The figures speak for themselves.

People's incomes are rising and young people currently earn much more than they used to. Their expectations are also rising and, therefore, the days are gone when a couple might put a deposit on a house and save up to buy furniture. In the past, they may have had very little when moving into a house but today their expectations are different. Young people expect to move into a fully furnished house or apartment. If they have young children they expect to have crèche facilities and access to education. We have to cater for those requirements but it will take time to implement that process.

A number of measures have been suggested to deal with the stamp duty issue, particularly for first-time buyers. Changes in stamp duty have helped to slow the market but supply is the key issue. Any measures the Government can take should be targeted at that area. A number of changes have taken place, including the affordable housing schemes which have been mentioned.

In my constituency of Dublin Central, affordable housing schemes and particularly Part V of the Planning and Development Act, which includes social housing, have proven to be extremely effective in dealing with what had been a neglected area for years. Dublin's inner city has been transformed beyond all recognition in the past ten years. One only has to drive down the north or south quays to see the changes that have occurred. Coupled with those changes, there has been an increase in employment, investment and an improvement in educational facilities, which is leading towards a very sustainable community in that part of the city. There are still social issues that must be dealt with but dramatic changes have taken place in that area in past ten years. These changes are the result of policies which enabled and encouraged people to invest in the area coupled with the State agencies developing the infrastructure, encouraging more people to move into the area and investing in this community.

I recall in the late 1980s when I bought my first house, in which I still reside, the affordability of a mortgage relatively speaking was probably more or less the same as it is now for 12 o'clock first-time buyers. At that time interest rates ranged from 15% to 17% and incomes were much lower than they are today. Therefore, in terms of percentages, the relative affordability of taking out a mortgage in the late 1980s early 1990s could not be far from what it is today.

Expectations rise in tandem with incomes. People are no longer happy with a basic house with four rooms and no other facilities. They want more. That is understandable and something for which we must cater. From that point of view, we are victims of our own success which has been achieved on foot of the policies adopted by the Government over the past ten years. This economy did not improve by accident or as a

result of external factors. Decisions were taken in the early 1990s to tackle the major deficit in proper housing facilities, especially local authority housing, the quality of which suffered a major decline under successive Governments.

As the Minister of State mentioned, we made mistakes in the past. I recall going to Cherry Orchard in the early 1990s when there was no public telephone box, shop or other facilities but there were thousands of houses. When I went there in 1991 or 1992, the first public telephone box had been provided. The policy decisions taken by local authorities and central government at that time would now be viewed as mistakes. We have gone a long way towards rectifying those mistakes by investing in local authority areas. I have seen the improvements in the quality of local authority housing in the past ten years. Gone are the days of the flat complexes with boxes built upon boxes. We now have state-of-art quality housing. Some of the best quality housing in Dublin city is in the Dublin City Council area. There are a number of duplex developments throughout the city which are highly prized.

Another aspect of our being victims of our own success is that tenants can no longer afford to offer to buy the houses they rent from the city council because the price of them is too high. This is another issue that must be tackled, possibly at local authority level. Dublin City Council is examining this issue and has set up a review group on it. When investment and resources are put into an area, they can make a major difference.

Planning issues are a factor in the supply of housing. Land banks and serviced land were referred to. We have taken huge steps towards increasing the supply of serviced land. The Minister of State mentioned the recent announcement regarding a 0.2 acre site at Harcourt Terrace. While that site would have accommodated only 30 units, with the exchange of that site some 195 homes were built in Tallaght, Lucan and Clondalkin and 195 families have been housed. Other sites are coming on stream. The Department is considering the development of serviced sites throughout the country in various local authority areas which are under-utilised. These could be used to address housing needs.

The main issue raised with me in my advice centres is housing, particularly social and affordable housing. Major strides have been made in such provision. We can continue to streamline the system and make it easier for people to apply for such housing. The majority of these developments will come on stream over the next 18 months and this will have a major impact in Dublin, especially on the north side. I congratulate the Minister of State on the policies being pursued and hope they continue to be pursued.

Mr. O'Toole: I welcome the Minister of State to the House. This does not reflect on the current Minister of State or the Government but when

one hears Government speeches about the number of houses it has been responsible for building, one has an image of members of Cabinet opening up foundations, pouring in concrete and laying a few blocks. Given that Government is blamed when houses are not built under its watch, it is entitled to take whatever credit is going for having had them built during its watch. I will pass on any criticism on that aspect.

I bounded up to House for this debate because I was curious about the Minister of State's follow-up to his comments in mid-August and whether he would talk to the Minister for Finance to sort out these greedy builders who were charging too much and shoving up the price of houses. I carefully noted at the time that the Minister of State did not tell us the measures to be taken to do that and the matter was left hanging. We all wondered during our holidays if we would return to find that house prices were lower. I mentioned in the House afterwards that the Minister who would succeed in lowering the price of houses would be out of a job in ten days. The Minister of State seems to have dropped his commitment to put manners on the Department of Finance to reduce the price of houses. He might pick up on this point when he comes back to talk to us again.

There was an old saying in Dingle that it is grabbers who make land dear. The same principle applies today. As the Minister of State will recall, the Taoiseach has said on a number of occasions over the past four or five years, although not recently, that he believes, and I agree with him on this, that not more than a dozen people have tied up huge areas of potential development land around the greater Dublin area in particular but not only there. That is also my intuitive feeling and my anecdotal evidence concurs with that. However, the problem is we do not know how this is happening. I know that in north County Dublin where I live, often a developer has an option on a piece of land. Nobody knows that because the option is not registered.

A developer may approach a farmer who owns a few hundred acres. The developer has examined the county development plans and calculates there is a good chance the land may be rezoned next time around and he buys it on that basis. Large developers buy land that does not appear to be in line for rezoning for four or five times the price of agricultural land prices. They buy the land for €80,000 or €90,000 or even €100,000 an acre and bank it because they have nothing better to do with their money. Such land purchases are recorded somewhere. The developers will hold on to the land for a few years and if the land is not rezoned they can sell it or use it for some other development.

Another development that occurs regularly is developers approach landowners whose land may be rezoned at a future day and negotiate a first option to purchase it. They pay for that option. There is a handover of cash for the option to buy the land in the event of it becoming rezoned, and

[Mr. O'Toole.]

once rezoned the land would be valued at the top price. Both parties win, the person selling land and the developer who then has access to it.

All this is going on and it is building up throughout the country. What happens next is that they decide how much of that land to release at a certain time in the same way as auctioneers, until very recently, released houses as if they were letting them out of prison. They would announce the release of phase 2 in a month, then phase 3, while phase 4 was still at the negotiation stage.

That tells us everything. It is Freudian because the whole thing is kept away from the ordinary consumer or punter; there is not a fair, free market. I keep telling to the so-called free marketeers in politics to look at the housing market. It is a perverted and corrupted market. Whatever reservations I have about the free market, and I have many, what is happening in housing is not a free market. Developers have corrupted the basic rule of economics to do with supply and demand. They have held back supply to keep it always running just below demand or barely at demand. There is a charge for houses, competition among buyers and, therefore, the prices go up.

An issue the Minister of State has not touched on, and perhaps he might do so when he gets around to having a chat with the Minister for Finance, is the question of stamp duty. The current Minister for Finance and the previous one always said they tried to protect the first-time buyer and I believe they made attempts to do so. There are many ways in which this could be done. In a long presentation to the previous Minister for Finance I suggested giving a tax break based on the type of house, for example, properties that would be of interest to first-time buyers rather than to developers. It would be possible to build on that. Tax breaks could also be given on the basis of geographical location.

It may be a bit unfair to mention this but the Minister of State may recall his partners in Government saying recently that the Government did not need the €3 billion collected in stamp duty and obviously that would be followed up by his giving it back to us in the budget. We would look forward to that in a strange way, but getting rid of stamp duty on property is a non-runner. Given that in the Minister of State's constituency there is much more second-hand housing for sale than speculative first-time buyer housing, would he agree that it would be a good idea to abolish stamp duty for first-time buyers of second-hand houses? It would not cost the Government a huge amount of money. It would be nothing like €3 billion.

All the time we see people struggling to buy a house and if the price is a penny above the limit for stamp duty they might have to find another €30,000. There is not even a sliding scale. I am sure the Minister of State would agree that something could be done, without the Government

taking a huge hit on it, to give an advantage to the first-time buyer who is having to bid against speculators or investors. Let the investors carry the cost. They can simply add it into their costs and discount it against their profit at the end. It is the one issue I thought the Minister of State might have come back to us on after his speech during the summer. I thought he would tell people like me that he had put that proposal to the Minister for Finance.

The Minister of State will recall that during the debate in the House on the abolition of the first-time buyer's grant, while I opposed the measure, I did not like what was happening and agreed with the Minister of State that builders were trousering that money in one way or another. If we abolished stamp duty for first-time buyers of second-hand houses it would be altogether different. We would be giving the first-time buyer an advantage over the investor. That is something that has never been done before. It would be a consumer-friendly, family-friendly measure and would be seen as very supportive.

On the issue of house prices, I take little notice of statements to the effect that only 10% of houses are selling at auction. Perhaps a little sense is coming into the top end of the market. However, I have been looking carefully at the population figures. Our population is growing. It grew last year by more than 2%. Our birth rate is still quite high. We have the fastest population growth in Europe. As long as the economy is growing and there are people in the country they will be buying houses and will need houses for the foreseeable future in the medium term. Demand may not quite run at 80,000 plus houses per year but it will not be that far off it.

I nearly crashed my car when I heard the latest forecasts from one of the known economists in the last three or four days. The forecast was that there would be a 6.6% growth in the economy next year. If that is the case, there is no possibility of a collapse in house prices. If the population is growing and if the wealth of the nation is growing, there will be no collapse in house prices and people should know that. House prices may slow down and I hope they will. They may even settle and that would not be a bad thing. The Minister of State's job is to try to talk softly to the building industry and say that the greedy times are over, that there will be a settling down of the market and that people will be taking a good look at value and doing what many of us on both sides of the House have been telling them to do for many years and buying for value. If it is not what they are looking for, if it does not have the space they need, they will walk away. Given our economic growth and population growth, there cannot be a collapse in the housing market unless people are going to live in tents.

In the context of speculators, investors and buyers, in a market like ours approximately 20% of it will always be in the rental sector. It will not drop below that. If anything it might go slightly

above if we follow European trends in the future. I am not suggesting that we should keep investors out of the market. Much work has been done over recent years to try to put manners on landlords. That is welcome where it works, but it does not work in all situations. House prices will not drop because population and economic growth are still on the up. There will still be a demand for a significant number of houses per year.

There is an issue regarding management companies for groups of houses, blocks of apartments and so on. The Minister of State spoke in the House previously on that subject. Management companies need to be legislated for in a much more basic way. They are only marginally covered by legislation. I have looked at what happens in other countries. In France there are local committees similar to the management companies here. However, small or large they are — they might represent five or ten houses or apartments, or 200 houses or apartments depending on the building arrangements in the locality — they have an input into the planning process.

If, for example, a person wants to build an extension to a house, he or she must get the permission of the local syndicate which is established by law and has an entitlement to give approval to certain kinds of things for which one does not need planning permission in Ireland but which nevertheless might deface a house or change the style of it. In Ireland people can add a conservatory at the back and if it does not exceed a certain size and it is to the back, they may not need planning permission. The local committees in France are a bit more than management companies in this country. They are established on a statutory basis. We should examine that idea.

There is one other matter I would like the Minister of State to raise with the Minister for Finance. This is something the building industry has pointed out many times. Of the whole cost, value and output of the housing industry, 40% of it returns to the Government in taxes. That is a huge amount. Some taxation measures should be taken to bring some relief to housebuyers. I do not want to see measures that will put money back in builders' pockets, but I want to see measures — I have given one example — that will give an advantage to first-time or family buyers when trying to provide the ideal situation for their families.

The last time we spoke on this issue I raised the matter of the quality of speculative housing built in Dublin. Some builders still build with cavity blocks. That is disgraceful and should not be allowed. I told the Minister for the Environment, Heritage and Local Government, Deputy Roche, that such houses will never comply properly with the demands of insulation now required by Europe. The Government has welched on the new European directive on insulation that should have come into effect on 5 January this year. It has decided to postpone it for 18 months for no apparent reason. This is anti-consumer but

nobody takes any great notice of it. I raised the matter in the House this time last year. It is appalling that since 1998, approximately 250,000 houses built in the Dublin area will not properly comply with the European regulations. It is also appalling that Dublin householders are being sold poorer quality houses than people outside the Dublin area. Nobody builds with cavity blocks outside of Dublin, but they are still used in Dublin.

Mr. McCarthy: I welcome the Minister of State to the House. This is one of many debates we have had on housing in the past four years and each time we have debated the issue it has been more relevant and significant, with house prices becoming more expensive than on the previous occasion.

Before the summer the Minister of State gave a commitment with regard to staged payments. This issue is largely confined to the Cork region where developers negotiate staged payments with purchasers. Payments are made at wall plate level, at the roofing stage, when windows and doors are sealed, etc., and the mortgage is eventually drawn down over the period of construction. A Bill sponsored by one of the Independent Senators and Senators Coghlan and Ryan was introduced in the Seanad and the Minister of State gave a commitment then to examine the issue and prevent this practice, which only affects that pocket of the country. The practice is inherently wrong. People are cash-strapped and the arguments in favour of stopping the practice go without saying. The Minister of State was aware of the issue and I want to know what he has done about it since it was brought to his attention.

We have consistently been told by the Government that housing output has never been as high. Nobody disputes the figures, which are historically high over the past nine years, but we are faced with an affordability gap and the number of people who can afford to buy these houses is continually decreasing. When I hear the line about the historically high output I feel sick because the number of people being pushed further away from these houses increases on a weekly basis, all on account of affordability. Contrary to what the Minister of State said, supply has not improved the affordability issue. The situation has disimproved and become far more serious for the thousands of couples in the country who cannot afford to buy their own home.

I raised a matter on the Order of Business to do with home ownership and the cohabitation rule of the Department of Social and Family Affairs. In April this year, the Minister, Deputy Brennan, announced that he intended to abolish the rule in his overall approach to lone parents. A couple I know wanted to purchase their own house and avail of the rule. They provided their income details to the mortgage company, but it has refused to view the lone parent allowance as income because it fears the mother will lose the

[Mr. McCarthy.]

payment if the couple move into the house. This affects one aspect of affordability. Senator O'Rourke also raised this issue. It is one that may have slipped the radar but it should be taken on board by the Minister for Social and Family Affairs. It has prevented the couple I know from owning their own home. They must now try to obtain social or affordable housing, but there is a scarcity of these units in west Cork.

Mr. N. Ahern: What does the Senator recommend?

Mr. McCarthy: I recommend that the Government build affordable houses for the thousands of people on our housing lists.

Mr. N. Ahern: Does he recommend lone parents should keep their lone parent allowance, even if they are not lone parents?

Mr. McCarthy: We have a housing list in west Cork that increases weekly but nothing has been done about it.

Acting Chairman (Dr. Henry): Senator McCarthy, without interruption please.

Mr. McCarthy: Before the summer, the *Daft.ie* survey priced a three-bed semi in the Clonakilty region at €350,000, the most expensive town in Ireland in which to buy a home. I could show the Minister of State hundreds of couples and families in the area who cannot afford to buy their home at these prices and they face a shortage of social and affordable housing.

It seems nothing has changed since the Minister of State was here last. In December 2005 only 1,294 units had been completed under Part V out of a total output of 300,000 houses over a period of four years. That is not a record to be proud of. I would hang my head in shame if I was following Ministers into the Dáil lobby to support that kind of inactivity, inertia and neglect of the thousands of people in need.

Every time we debate this issue, housing has got more expensive. House prices are now 13.8% more expensive now than they were this time last year. In the House in December 2002 we fought vehemently against the then Minister for the Environment, Heritage and Local Government, Deputy Cullen, but he decided to gift 70,000 planning permissions to developers. No Christmas stocking was ever before filled to the tune of 70,000 planning permissions. That was the stage at which the then Minister began to dismantle Part V of the Act.

Does the Minister of State think it was a good idea to abolish the first-time buyers' grant? Does the Government have any intention of reintroducing such a grant? The grant was abolished so soon after the election that it seems the Government hopes people will forget about it before its

term of office expires. I have consistently reminded people coming to me with questions about the grant not to forget about it. It might not have been much money to some people, as the then Minister for Finance, Charlie McCreevy said at the time. He was in Cheltenham the same week we debated the issue in the House. It might not be much to those in Cheltenham, but four years ago €3,000 was a significant sum to those who needed to put together a deposit to enable them get a mortgage for their home.

As if the abolition of the grant was not bad enough, the same Minister decided to increase development charges. These are attached to planning permissions when granted and they exist for good reason. However, there has been a significant increase in development charges. One-off rural houses in my area attract development charges of €4,000, €5,000 or €6,000. The larger the square footage, the higher the charge. I have repeatedly asked planning officials where the money collected in development charges has been spent. Has it been spent on footpaths, public lighting, a playground or a crèche?

I have seen no evidence of the money being spent, but I have seen people put to the pin of their collar to put together a mortgage to build a house. Before they ever bring in a machine to clear the site, the Government has cost them the first-time buyers' grant of €3,000 and they have had to pay out upwards of €3,000 or €4,000 in development charges, not far from a total of €10,000. Many of these are floating voters who voted for this Government, but they are now worse off to the tune of €10,000. That is not good enough.

It is the case that in the Clonakilty region stricter planning restrictions apply closer to the water and this information is contained in the development plans. I refer to a case of a couple who had agreed a price for a site and went through the planning process. The planners were not in favour of granting a permission for the particular part of the land holding. This occurred in the south-western area which is near the sea with panoramic and scenic views, so the price of land is expensive. The couple were refused permission for that part of the land holding. They could have used another part but the price would be prohibitive. Planning permission has been refused and they are now on a list for affordable and social housing in their region.

There seems to be a lack of joined-up thinking. Local government is the agent of the Department of the Environment, Heritage and Local Government in the area and they do not allow somebody to build a house on a site for a price they can afford to pay. This creates an increased demand on local affordable and social housing where there is already a shortage.

The State has gifted land outside Clonakilty. It is quite a good scheme and has been through the consultation period. Affordable housing units will be built there even though there was some resist-

ance from people who should and do know better. I refer to an Adjournment matter on this subject raised in the other House recently. This scheme should be replicated all over the country. If it can be done here, it can be done in other areas. I just wish the timescale was not so long but this may be due to circumstances outside the control of those present.

Will the Minister of State allow tenants of small local authority units such as two-bedroomed and one-bedroomed units to avail of the tenant purchase scheme? I refer to a case in Dublin last spring where long term tenants of local authority flats were allowed purchase them. I am not aware of a roll-out of this scheme to any other part of the country. Tenants of three-bedroomed and four-bedroomed houses are allowed purchase their units and I do not understand the difficulty posed by extending that right to avail of the tenant purchase scheme to a tenant in a smaller unit. I acknowledge there is an argument to be made for retaining some of those units for future applicants for social housing. However, I ask the Minister of State to consider treating like with like and giving those tenants the same right to purchase their unit as the person with the two or three-bedroomed unit.

The roll-out of affordable housing is progressing far too slowly. The Minister of State is aware of the geography of the area to which I refer. Areas such as Kinsale, Ballydehob, Schull and Clonakilty are areas where financial circumstances are more exceptionally difficult than in other parts of the region. People who cannot afford to buy houses in those areas regard the affordable housing initiative and the services site as the one bright hope. I have seen the difference this has made to couples and there is no reason it should not be happening at a quicker rate to allow people who have housing rights and need to buy their home at an affordable price.

I ask the Minister of State to address the question of tenants in smaller local authority units not being allowed buy their homes. The shared ownership scheme does not seem to be well publicised because I do not see enough end product from this scheme. The principle is novel and excellent but there is a very small take up. I do not know if this is due to the price being paid.

I wish to bring to the attention of the Minister of State the county council scheme for improvement works in lieu of housing and the county council rural housing scheme. In one case, the county council intends to build a rural house for a family. The report on their current accommodation by a council engineer was carried out the day aeroplanes hit the twin towers. I need not remind the Minister of State of that date, which is more than five years ago. The same family have been moved out of the house and are in temporary accommodation and the local authority has still not expedited this project beyond sending plans and maps to the county architect's department. This is a disgrace. I do not blame the Mini-

ster of State but it is an issue of which he needs to be aware in the context of how local authorities operate. It is frustrating to write and receive a response stating the case is being investigated but it is not right in this day and age to allow somebody's housing needs to deteriorate to such an extent and not advance the case.

It should be a case of giving somebody living in a rural area the house they want to live in. There has not been any clear relaxation in the manner in which planners approach the county development plans. If these guidelines are adhered to I will be the first to say it and the first to praise the Minister if deserved. However, there has not been any relaxation of the guidelines.

I refer to the case of a house which is half a mile down a country lane, out in the middle of nowhere. It is screened by trees on the north, west, east and south of the site and it cannot be seen from the road but the planner wants to cut back the front porch of the house. This is beyond belief. I doubt if the planner ever went out to visit the site or else wires have been crossed. All these issues are related to housing. If the planners at local authority level are persistent in a very strict interpretation of the development plan, more people will be in chaos with regard to housing.

Ms Ormonde: I welcome the Minister of State to the House. I wish to read into the record of the House the Government's achievements to date before I express my own views.

One third of Ireland's houses have been built in the past decade. House completions are at the highest level in Europe, with 20 units per 1,000 of population. This is well over five times the rate of our nearest neighbour, the United Kingdom. Huge investment in servicing land has made land available to underpin the future supply of housing.

All water services schemes provide services for housing. By the end of 2005, the serviced land initiative had provided services for more than 81,000 housing units for 164 completed schemes. An additional 95,300 housing units will be serviced for a further 59 schemes at construction. The housing land available surveys undertaken in June 2005 indicated more than 14,800 hectares of zoned land serviced available, with an estimated yield of 460,000 housing units. This equates to sufficient national capacity for five years of residential development, based on recent average housing output.

At the end of June 2005, Dublin city and county had approximately 2,800 hectares of zoned serviced land with an estimated yield of more than 145,000 housing units. There were 1,374 hectares of zoned serviced land in the mid-east region, with an estimated yield of approximately 38,000 units. There was sufficient zoned serviced land in the other major urban areas to yield about 38,000 in Cork, 15,300 units in Galway, 12,000 units in Limerick and 6,200 units in Waterford.

[Ms Ormonde.]

It is important that these figures and statistics are put on the record of the House as a means of reflecting the determination of the Government and its commitment to make the supply equal to the demand. This is the aim of the Government and the Minister of State.

I welcome the new affordable housing partnership that was set up last year to negotiate exchange or swap of State land to facilitate affordable houses. The latest example in my area of South Dublin involved the exchange of land in Harcourt Street resulting in the building of 215 homes in Lucan, Tallaght, City West, Clondalkin and Rathcoole, which is a great success story. We have had other examples resulting in the building of more than 500 units following a swap of State land, which has given us real value for money. Those success stories need to be highlighted.

We do not have a problem with policy; the Government is doing all it can. However, we need to get all the stakeholders to work together to accelerate the rate of delivery, where we may have a problem. The validation of a planning application takes too long. Organising pre-planning meetings can give rise to significant delays followed by the processing of the application. If the site planning notice that must be displayed is incorrect, the whole operation must start again. We need to consider these issues. We also have the appeals system. Problems regarding Part V of the Planning and Development Act can delay the whole planning process and could contribute to increased costs for the new householders. While officials in South Dublin County Council are very professional, I have known other local authorities that are not as professional in their processing of applications, which can be a factor in delaying delivery. We must aim to speed up delivery to allow supply equal demand.

Another area of difficulty is with ESB Networks. People can be ready to move and are delayed because they must wait for ESB Networks to come on site and connect electricity supply. It is not the fault of the Minister of State; it is a problem with all the stakeholders.

Some county managers are very good and some are not so good. I do not know how they work when a developer makes an application or in a pre-planning discussion about Part V and the requirement for 20% of the development to be given to social and affordable housing. The process at that stage can take six to 12 months to resolve because there may be disputes over the precise location of the social and affordable housing. I favour mixed communities and the village concept. I was brought up in a village where it was great to deal with everybody as opposed to having beautiful people in one cul-de-sac and the not so beautiful people elsewhere. I never wanted that in our society. Ireland is not made like that and we should not have it. We should have integrated communities. I know that is where the Minister of State's heart is. He should pursue it

and ensure it works because it is key to the solution.

We are doing a great job in housing in that we are catching up to get the supply equal to the demand. Our population is increasing with many people coming to the country. Our economic growth and the availability of mortgages facilitate buying houses. While the Minister of State is making it easy, the stakeholders are pulling him back. We need to get everybody singing the same tune, which would give rapid delivery of affordable houses. It is on its way. The Minister of State is doing a great job and I wish him every success in the future.

Mr. J. Phelan: I welcome the Minister of State, Deputy Noel Ahern. I am glad to have the opportunity to speak on housing. I do not disagree with much of what Senator Ormonde said. While progress has been made, to borrow a phrase, there is a lot done and a lot more to do on the housing market. I recently attended a presentation which outlined some astonishing figures on housing production in this country. It blew my mind when I heard some of the figures for the rate of building taking place at the moment. We are all familiar with the vast new developments that are taking place. Apparently last year and into this year the rate of house building is 21 units per 1,000 people as opposed to the European average of four per 1,000, which is a significant difference. People have asked whether this is sustainable into the future. In the long term it would not be sustainable at that rate.

However, we have a problem with our housing stock which is considerably lower than that in our European neighbours. Senator Ormonde is correct in saying that we are playing catch-up on them. Last year we produced approximately 83,000 or 84,000 housing units and the figure is likely to be much the same this year. It is clear that the demand for housing is still very strong even though this year's census found that many houses are unoccupied. I am particularly familiar with new developments in my area that have not been occupied having been bought by investors. There is no demand for rental accommodation in certain parts of the country. While this may not apply in some of the larger urban areas, in some smaller towns the rental market is under severe pressure.

A particular bugbear of mine is the continued lack of planning for the necessary services and infrastructure in some massive housing developments. I am referring to developments of a few hundred homes, with no consequent provision for the increased demand for schools. In many parts of the country schools are already under pressure. When planning permission is given for a development with a few hundred housing units, the Department of Education and Science is slow in granting necessary funds to ensure that schools, which are often already overcrowded, are provided with suitable extensions. In a school in my

area the multi-purpose room is used as three classrooms and it has no playground because it is occupied with prefabs. It is on the outskirts of New Ross which has had significant development in recent years. Other services have not received commensurate funding to ensure they can keep pace with the development. The Government has failed miserably in this regard over the past five to ten years.

I agree with Senator McCarthy's point about planning guidelines, especially for one-off rural housing. As a former member of a local authority, it was always my understanding that the councillors were responsible for drawing up policy. I still have serious questions about the implementation of that policy by some local authority planners. Councillors put great effort into drawing up local authority development plans and quite often the spirit of what the councillors intend when drawing up the plan is not implemented by the planners, which is unacceptable. The councillors are responsible for setting policy in the county development plan and it is the duty, responsibility and job of the local authority planners to ensure that policy is implemented and not the policy they might want to implement themselves. That is not happening everywhere and it needs to be reviewed.

Another bugbear of mine is with the concept of vernacular design. It is right and proper that new developments are in tune with what already existed. However, in my part of the world, south County Kilkenny, planners demand smaller windows in one-off rural houses because they believe this is part of the vernacular design tradition in the area. Small windows were traditionally installed in rural houses because people did not want to be fleeced by the window tax introduced by the British authorities when they were in control of this country. Now, 100 years later, local authority planners demand small windows because all the older houses had small windows. That is not acceptable because a case could be made for the energy saving potential of large windows in southerly facing houses. Perhaps planners should study history as well as urban design.

Senator McCarthy referred to development charges. In County Kilkenny, one would be lucky to pay €6,000 in development charges and it is more usual that €8,000 to €11,000 is levied on relatively modest homes. In parts of the county, people cannot get potholes filled on the roads because the local authority is not in a position to do so, yet they are forced to pay development charges before they can lay the first block in their own homes. In many rural areas, no noticeable service is provided in return for a development charge. If somebody receives a service, such as a water or sewerage connection, a development charge should be levied but it is not acceptable to make people pay money for nothing.

The development charge, on top of the abolition of the first time buyers grant, means in effect that people in counties Carlow and Kilkenny are

paying €10,000 more than before, not to mention the ever increasing cost of housing construction. In 2002, total revenue from housing related taxes was approximately €3 billion. Last year, that figure increased to more than €7 billion, which represents a substantial proportion of the total tax revenue. Reform is needed on that issue.

I have become very annoyed by the way in which local authorities calculate differential rents. I was recently contacted by an elderly widow in County Kilkenny who earns €190 per week, out of which she pays an excessive €30 per week in rent. Differential rents are based on guidelines introduced by the Government in 2002 and 2004 but, because it is not incumbent on local authorities to enforce the guidelines, some are doing as they please. Many local authorities request copies of P60s or base retrospective assessments for rent arrears on overtime payments, which has a detrimental effect on those who wish to avail of tenant purchase, affordable housing or shared ownership schemes and creates difficulties in terms of having essential maintenance work done on houses.

The 2002 guidelines strongly suggested that banded income categories and applicable rent fractions tend to create the potential for poverty traps and high marginal rates of rent, and recommended that local authorities should move away from differential rent to a set percentage or simple fraction calculation. Such reforms have not yet been introduced in my area, although they may be in place elsewhere. Many people in local authority housing, particularly those in receipt of social welfare payments, are losing chunks of their increased benefits to local authorities once differential rents are recalculated.

Rent calculations seem to vary according to the time of year in which the rent review is conducted. For example, fuel allowance is assessed in some parts of the country, even though it is only paid over a part of the year. That is not fair to applicants. I am aware of a man who was paid on a monthly basis but whose income was divided by four and assessed at €309 per week. However, when the correct calculation was done by multiplying his monthly rate by 12 and dividing that figure by 52, his weekly income was €280. When we appealed his case, a couple of euro was taken off his rent. Clearly, significant problems arise with regard to how local authorities calculate differential rents.

Labhrás Ó Murchú: Due to the importance for people of having a home, housing has always been a central issue for debate. I sat on a local authority for 18 years during what could be called the bad old days. New housing schemes were one of the biggest news stories for communities and there were always long waiting lists for houses. The situation has since improved and housing stock has undoubtedly been elevated to new heights. It is now within everyone's ambition and

[Labhrás Ó Murchú.]

range to have a place in which to live with dignity and to feel a sense of ownership.

However, while huge progress has been made in terms of providing public and private housing, the rate of progress has given rise to fresh challenges. We have to keep up with these challenges while being fair to those who possess their houses. Rent is an important issue in that respect because people need to be able to pay the required fee. However, in most cases, issues are considered as they arise. In my experience, genuine concerns are addressed and people are no longer put to the pin of their collars or made destitute because of their commitments.

Other issues arise with regard to managing new private and public housing developments. I am aware of several cases, in my area of County Tipperary and elsewhere, where *1 o'clock* unrest has built up within communities because of anti-social behaviour or for other reasons. Such issues are just as important as the provision of housing at the correct level of rent and it is important we recognise them. In some of the cases of which I heard, people were almost on the point of leaving the area for a number of reasons, including the discontent and unrest among law-abiding people and those who respected the community and wanted to make a contribution to it. An address should not take on some type of stigma, as has happened in parts of the country. There is nothing worse than to have an address which, in some way, automatically dilutes one's curriculum vitae, whether one is going for a job or otherwise or even from a social point of view. It is an issue we will have to look at seriously. Local authorities can step in because they have by-laws and guidelines and they can take action but, unfortunately, it is not happening and this issue is becoming widespread.

Those of us who watch television will have seen the harrowing stories coming from a particular place in County Limerick. It is mind-boggling to think that 99% of the community, who are law-abiding citizens and are trying to give the very best to their children, find their area in the headlines on television, radio and in the newspapers because of a tiny minority. There must be a way to ensure sanctions are quickly taken against people who cause that type of havoc.

I refer to the appearance of housing areas. I saw a programme on television about a pilot scheme being operated not far from Dublin where a little community group was put together. Perhaps there is some way to encourage this type of activity through the provision of some resources. A small community group could come together, buy a lawn-mower and ensure an area is kept tidy. I see no reason that could not apply to the local authority housing scheme as it does to the private one because most people do not always have their hands out and do not always want the public sector to do things for them. Per-

haps there is a way to ensure people take a degree of ownership for the appearance of their areas.

The upkeep of the inside of a house and its repair are important but so too is the environment in which it is located. One might even go as far as saying that if the environment is pleasant, no rubbish is lying around, the grass is cut and so on, it often motivates and inspires young people. Once a housing scheme becomes in any way dilapidated, it has an impact on morale and ambition. It is not enough for me to state that in the House. There should be some way for local authorities, at the prompting of the Minister of State, to make some resources available where such groups come together. I am not talking about groups coming together to legislate for their community but rather about the case I mentioned where a group came together to work for the community. It also results in interaction among people who do not remain locked in their houses when they return from work.

I wish to touch on another an issue which is perhaps outside the remit of the debate. During the days I spent on the local authority a number of schemes were brought forward whereby one could purchase one's house through the payment of rent. I always thought that was one of the best things to happen because people realised the money they were paying on rent was not dead money and that they were investing in the purchase of their house. It did not matter whether it took them 20 or 30 years. From the day they came into that scheme, their attitude automatically changed. It should be our aim to ensure new schemes are brought forward whereby people in local authority housing could purchase their houses through the rent system. I am not pointing the finger at anyone but if one believes one is buying back one's house, one will be twice as careful about the house in terms of maintenance and presentation.

We still have problems providing houses in rural areas. We had an exceptionally good debate and great consultation on this issue. Good documents were produced and very good guidelines were brought forward for the implementation and, to some extent, the relaxation of the restrictions being placed on people who want to build their houses in rural areas. There is not a county which still does not have a problem. I do not believe the problem lies within the guidelines or in any legislation. There is still a blockage which can be termed "elitist" and it must be confronted. There are people who could get a site from their family or their extended family on which to build a house in a rural area, yet the restrictions are very severe. There is a suggestion they could move to the nearest village or town but they cannot do so because they could not afford a house there. What will happen eventually is that they will go on the housing list.

We keep talking about the regeneration of rural Ireland. Surely the only way we can mean-

ingly do this is to listen to people who have confidence in rural Ireland and wish to return to it instead of emigrate or leave it. We should help them in every way we can. Will the Minister of State convey a message to his counterpart on this issue, that is, to get tough with the planners on these issues? The guidelines must be interpreted in favour of the applicant and not some people who lay down rules and who want to make a picnic area out of rural Ireland.

Mr. Scanlon: I welcome the Minister of State and I am glad to have the opportunity to speak on this issue. I recognise what the Government has done, especially in my county of Sligo which has received over €9.5 million for the building and purchase of new homes for people. That is a 100% increase over a few short years. However, there are problems and issues.

I wish to raise an issue which bothers me. Three years ago, Sligo County Council decided to get new housing application forms which were sent out to the 850 people on the housing list. Some 500 forms were returned which showed there were only 500 people on the housing list. I thought we might have got the figure right but that was not the case.

People who wish to qualify for rent allowance, opt for shared ownership or avail of the improvement works in lieu scheme must put their names on the housing list. I am sure the same applies in every other county. I do not believe the housing lists are accurate. We must find out how many people are on the lists because I believe they are out of sync with reality.

The improvement works in lieu scheme is very beneficial, particularly in rural areas in which people wish to remain. I know from experience that it has made a major difference to the lives of many people who could not afford to do up their homes but who were able to do so with the help of the scheme and who were able to continue to live in their homes. That is welcome.

The shared ownership scheme is an excellent one, especially in rural areas, where one can still buy a new three bedroom house for €175,000 to €180,000. The one problem I see with the scheme is that it could be three to four months from the time people get provisional approval to buy a house to the time the county council pays for it. People selling houses are sitting ducks because there is no legal commitment on the part of the person buying the house or the county council who is purchasing it on his or her behalf. Some commitment should be given to the seller who may be concerned. Wearing my other hat as an auctioneer, I know people selling a house to someone buying on the shared ownership scheme may be concerned. As a politician, I am in a position to reassure them everything is okay and the sale will work out at the end of the day. However, some people become concerned and will not wait. As a result they lost the opportunity to purchase a home for themselves under the scheme. It is

important that some measure would be introduced to ensure there is commitment on both sides.

I acknowledge the great work that has been done on housing estates in recent years, especially by people on FAS schemes. They do not get the credit they deserve for their work. Local authority estates in Sligo have been transformed in recent years by this work and it is important that we would support it in every possible way.

Stamp duty for first-time buyers should be addressed as it is causing hardship. It is difficult enough to get a mortgage but stamp duty can make the difference between somebody getting a home or having to go on a housing list. We should try to address this matter in the forthcoming budget.

Another issue of concern is people on low income who apply for rent allowance. A lone parent with one child who came to my clinic recently was refused rent allowance because a three-bedroom house was considered to be too big for her accommodation needs. The maximum number of bedrooms required in her case was deemed to be two and, accordingly, her application was refused. I cannot understand this decision as two-bedroom houses are not available in the area. Nobody builds them.

Difficulties also arise for single men. The rent subsidy limit is €85 per week but one cannot get accommodation anywhere for €85 per week. In a case where the rent is €100 per week, no rent allowance is paid as the individual in question is considered to be over-accommodated. This is most unfair and the matter needs to be addressed. If a minimum rent allowance is available this should be paid to individuals and they can pay the difference themselves. People are prepared to do that in order to get accommodation where they wish to live.

The system is particularly discriminatory towards single men. Senator Cummins alluded to this point. I apologise for not hearing his entire contribution. The system does not properly cater for single men. They rate very low in regard to need in all local authority areas. This matter must be addressed.

It is important to recognise the work that has been done. The situation is difficult but certain changes can be made to make the system better. I am sure the Minister of State, Deputy Noel Ahern, understands the problems and he will endeavour to ensure the position is alleviated for people seeking their own homes and failing that, that they can rent at a reasonable cost with the aid of rent allowance without which they could not afford to do so.

Mr. Moylan: I welcome the Minister of State, Deputy Noel Ahern. I compliment him on his performance in the Department in terms of housing. He came to the Department at a time when housing was a major problem. I also compliment the Department on providing funding for services

[Mr. Moylan.]

to enable us to build houses in our towns and villages.

Speakers have referred to various points. Local authorities have a part to play in terms of future housing policy to ensure there is access to facilities, namely, shops, schools, etc., when housing developments are allowed to proceed. Too often our local authorities allow developments to take place without looking at the bigger picture. This lack of facilities has caused problems for some people in new estates.

I compliment the Minister of State on the money he has made available to local authorities. Many people have benefitted from improvements to housing stock. I welcome the upgrading of heating systems, especially in local authority housing. People appreciate these improvements.

The cost of sites is a problem. People are coming into areas and giving substantial amounts of money for land. In some cases this land should have been made available for small farmers to expand their holdings. I have heard Members complain frequently on the Order of Business about planning problems. In rural areas, the local authority dictates by virtue of its county development plan. Planners are told what can happen in particular areas. At one time we changed the county development plan in County Offaly to allow more development to take place because of a fall in population. This has paid off as people have gone there and built homes in rural areas in the county.

I welcome the mix of social and affordable housing in the new housing developments that are now coming on stream. Previously, developments did not have to comply with the provisions on social and affordable housing. I urge the Minister to ensure that local authorities would deal with these provisions speedily to ensure social and affordable houses are given out to successful applicants as quickly as possible so that estates would not remain unfinished for a long period of time. There is an onus on local authorities to make these allocations as quickly as possible.

Local authorities must be careful to ensure local people are allowed to build houses and live in their own areas. We must not give an opportunity to developers to buy sites and make a great deal of money. That is not the intention. Local authorities can overcome this problem by putting in a clause in planning permissions ensuring residency for at least five years. This would stop developers and ensure people could afford to live in their local area.

Problems have been experienced in regard to housing aid for the elderly and essential repairs grants. Those who are dealing with cases will not approve grant aid for elderly people in rented accommodation. In some cases the previous generation also lived there and the family will continue to live in the houses in question. As an absent landlord rather than the elderly person is

the registered owner, neither the HSE nor the local authorities will spend money. The Minister of State might ensure that the families present for the long haul are afforded the opportunity to make what are minor repairs in some cases on behalf of elderly people or people with disabilities. There are a number of cases in every county.

Will the Minister of State speak to county managers and housing officials in local authorities concerning the provision of private sites in towns and villages, which is a good scheme? Private sites allow young couples to build houses of their own design rather than the uniform houses on estates, thereby removing people from the housing list.

I compliment the Minister of State on his work in the Department, as there are significant improvements across the country. There are many water and sewerage services available in our towns and villages that allow us to build houses for the people in the area who require them. I wish the Minister of State well and I look forward to further funding for local authorities.

Mr. N. Ahern: I thank Members for their comments. I tried to be factual in my opening statement and I thank everyone who tried to be reasoned in their responses. Some comments were not valid.

I might go on about supply, but it is important. Only with a decent supply can one bring stability to house prices. In recent years, overall supply has increased considerably, but it must be put in context. The last census showed an increase of 8% in the population and the previous census showed another 8% increase. While we do not have a breakdown of the figures in the recent census, the previous census showed an increase of 18% in the number of people aged 25-34 years, which is the key household formation age group. Most of them work and make contributions to the economy, but trying to cope with an 18% increase is incredible.

Senator Cummins stated that some of these people live with their parents. One can visit a house and be told that three sons or daughters, aged 31 years, 29 years and 27 years, live there whereas one could have called at the same house or another house 20 years ago and be told that three sons were in Australia, America or elsewhere. Which is better? My party was not in power 20 years ago.

This is a worldwide trend. Even in my time, many people left school at 17 or 18 years of age and got married at 24 years of age. Thankfully, more people go to college now and remain dependent on their parents for longer. The average age at which people marry or set up homes is older than previously. While they might drive a few of us mad if they stay at home, so be it. It is better for them to be at home with parents than in Australia.

Ms Ormonde: A fair point.

Mr. N. Ahern: Prices have increased and I do not deny they are staggering. Many Senators, particularly Senator Brady, spoke about affordability, which is the key factor. It depends on prices, income before and after tax and interest rates. In the affordability index, which has been calculated over several years, the percentage of one's net pay that goes towards the mortgage repayment is the main figure. During the past 20 or 30 years, the worst years were 1991 or 1992 when interest rates were 16% or 17%. Affordability has diminished somewhat since then, but the current percentage of net pay used to repay a mortgage is not significantly worse than previously.

Often, we speak about first-time buyers. I am not very old, but I have seen many people whose worlds did not cave in when they did not have carpets or fancy wood panelling on their floors for a few months. While it is fair and reasonable that we say much concerning first-time buyers, they are getting by. Last year, 45% of mortgages for new houses were taken out by first-time buyers.

Mr. Cummins: Is the Minister of State happy that they are just getting by?

Mr. N. Ahern: It is a phase. They are getting by. While I have heard some of their comments, they do not seem to be deprived of continental holidays or whatever.

Mr. Cummins: They are not all in that category.

An Cathaoirleach: The Minister of State does not have time to address the Senator's statements.

Mr. N. Ahern: We speak about the concerns of first-time buyers, but when people compile figures such as in the Halifax survey, I wish they would be fair and honest. First-time buyers purchase new or second-hand houses that are cheaper than average. Such studies use the example of a nurse, civil servant or garda on the first or second year or his or her salary and forget that the person will get a few promotions. They then take the average price of a second-hand house, including many €1 million or €2 million houses in the leafy suburbs that might have development potential, houses built around it and so on. However, the house's average price is meaningless when discussing first-time buyers, so we might as well be honest. These surveys are only PR attempts to attract attention to particular financial institutions rather than anything else.

We have affordable housing schemes because some people have a problem with affordability. I apologise to Senator Cummins, but it is difficult to accept comments made by Fine Gael Members in this regard. Fine Gael fought the Part V legis-

lation line by line and section by section when it went through the Oireachtas.

Mr. Cummins: It is not working.

Mr. N. Ahern: It is the law of the land, but it will take time for its dividends to show. Some Members' comments are a bit rich for people whose parties fought the law.

Senator McCarthy spoke about Clonakilty. When Deputy Joe Walsh was the Minister for Agriculture and Food, he provided a site in Clonakilty and believed that houses would be built on it in a year or two. The council is proceeding at a snail's pace primarily because members of Fine Gael who have been trying—

Mr. Cummins: Rubbish.

Mr. N. Ahern: It is a fact. Unfortunately, Fianna Fáil does not have a majority on Cork County Council and its Fine Gael members have been doing everything in their power—

Mr. Cummins: That is why people gave Fine Gael the majority. Fianna Fáil was doing nothing about the situation.

Mr. N. Ahern: Fine Gael got the majority to look after the snobs and not build houses for decent people.

Ms Ormonde: Fine Gael has not done anything there since it got into power.

Mr. Cummins: Fianna Fáil was doing nothing.

An Cathaoirleach: Order.

Mr. N. Ahern: If the Fine Gael-Labour coalition ever gets into power, it will be a problem. Senator McCarthy spoke about the fact that there is no affordable housing in Clonakilty and that a site was provided a few years ago, but in respect of which the council is proceeding at a snail's pace. Every twist and turn is being slowed down by council members who want to preserve the image of Clonakilty as being for scenic, beautiful, €2 million houses. They do not seem to give a damn about ordinary people who would buy affordable private houses. We are not discussing social housing. There is some hypocrisy.

Mr. Cummins: Did the Minister of State listen to what Senator Ó Murchú said about the Minister of State's guidelines?

Mr. N. Ahern: We talk about people who need houses and then do very little for them at ground level. People must examine that situation.

Every country in the world has a property tax. It can be like our stamp duty, a poll tax, rates or so on. One must be careful of people who want to do away with it. Unfortunately, tax must come from somewhere.

Mr. Cummins: The Tánaiste——

An Cathaoirleach: Order.

Mr. N. Ahern: There is always a property tax, but we have tweaked it and may tweak it again. When the Government last tweaked it, the limit increased to €317,000. We all sympathise with the belief that first-time buyers should not pay stamp duty, but when the Government increased the threshold, we were accused of increasing house prices. Senator O'Toole mentioned a sliding scale. If a house costs €325,000, it seems illogical to pay 3% on all of it. I like to believe that the Minister for Finance will make adjustments.

We have received the commitment of the Construction Industry Federation in Cork that it will introduce changes in respect of staged payments. I announced in the House previously that I hoped the system in Cork would be abolished next year. The CIF is trying to stagger it out and talk about a phased system which would not really start until 2008. We are arguing about the dates rather than about the fact that the system will go, but the sooner it goes, the better.

I take all the points made on housing aid for the elderly. We have given a great deal of money to that scheme, which is doing good work. In fairness, I find it somewhat funny being approached by Senators and Deputies stating they want more money spent on housing aid for the elderly when the counties from which they come would not even have used their essential repair grants, ERG, scheme. There is a great deal of money available under the disabled person's grant, DPG, scheme and the ERG scheme and we want to continue rolling those out.

Senator O'Toole spoke about my remarks during the summer. I spoke then and since to the Department of Finance and we must wait and see whether the Minister for Finance does anything about it. Some of the heat has come out of the market since. I would not be big-headed enough to suggest that my few words helped in that regard, but I was very much getting at speculators rather than investors. People who come into the housing market as investors providing rented accommodation are welcome provided they are in it for the long term and providing good accommodation for the rental market. The persons about whom I was concerned at that time are those who are buying land or houses and merely moving into and out of the market like those buying Aer Lingus shares. Such persons are speculators. They are not in it for the long term. While any person who is in it for the long term may be trying to make money, that is fine if he or she is providing accommodation. I would like to see the laws tweaked and perhaps capital gains tax increased on persons who are short-term players because they are not bringing any added value to the overall issue.

I am not suggesting that everything is perfect. The Government is delivering. On the social and

affordable side, the provision this year is €2 billion. Those are significant resources. Often the problem is to get it all spent and get quality and delivery for it, but the resources are being provided.

I accept that there are 43,000 so-called families on the waiting lists, 40% of whom are single persons and some of whom have turned down more than one offer.

On Senator Scanlon's point, when local authorities are building they are supposed to look at the breakdown of those on the waiting list. If 90% of those on the waiting list are single persons——

Mr. Cummins: They are a low priority.

Mr. N. Ahern: ——there is no point in the local authorities building three bedroom semi-detached houses like they did 20 years ago. They are supposed to build in accordance with the breakdown of what is on their list. We have been trying to get that through to them. Many of the local authorities are coming on board but there is still a bit of a culture and ethos among them of building three bedroom and four bedroom houses.

The rent allowance aspect of which Senator Scanlon spoke is really a matter to discuss with the Minister for Social and Family Affairs, Deputy Brennan, but I understand from where the Senator is coming. Local authorities ought to build a proper mix of housing rather than the standard approach of taking down the old plan and building the type of house built 40 years ago in the same way. We have tried to get away from such an approach and have made clear to local authorities the need to look at their waiting lists, see the profile and submit an application. We have sent back a few applications on the basis that what they were trying to build was not in accordance with their list.

We are delivering. We are spending significant resources. We are not solving all the problems of the world but we are doing a reasonable job.

Sitting suspended at 1.35 p.m. and resumed at 2 p.m.

Ageism Policy: Statements.

Minister of State at the Department of Justice, Equality and Law Reform (Mr. Fahey): We last discussed this issue in the Seanad last May during Say No to Ageism week, an initiative of the Equality Authority, the Health Service Executive and the National Council on Ageing and Older People. The importance of the issue is reflected in the Seanad's decision to schedule a further debate early in the new term. Preliminary figures from the 2006 census show us that Ireland's population is now at its highest level since 1861 and that the death rate is continuing to decline. The fact that people are living longer should be a cause for celebration and not a problem for themselves or for society.

Traxler defined ageism as “any attitude, action, or institutional structure which subordinates a person or group because of age, or any assignment of roles in society purely on the basis of age”. Age discrimination can affect people of all ages. Unjustified discrimination on the age ground is not only hurtful to those who are victims; when directed at older people it also represents a dramatic waste of knowledge, experience and wisdom. At a time employers are finding it difficult to recruit and retain competent workers, a prejudice against older people makes bad business sense. Progressive employers are identifying the advantages older people can give to an increasingly diverse workforce. The Government will continue to encourage and facilitate an increase in work force participation by older people.

I refer to the legislative protections that exist in respect of discrimination on the ground of age, both in the employment area and otherwise. Ireland has one of the world’s most advanced systems of protection against discrimination. As public representatives, it is one of our responsibilities to make sure the public, in particular, those in most need of such protection, is both aware of and capable of accessing it. The Employment Equality and Equal Status Acts outlaw discrimination on the ground of age. The provisions relating to age were strengthened in the Equality Act 2004, which gave effect to the EU anti-discrimination employment directive. The Employment Equality Acts are framed on the basis of a general principle that there ought to be no discrimination on the grounds of age, where the employee is willing to undertake or continue to undertake, or will accept or continue to accept, the conditions under which the duties are required to be performed and is fully competent and available to undertake, and fully capable of undertaking, the duties attached to the position.

Certain exceptions are provided for in cases such as the emergency services and Defence Forces. The Equality Act 2004 amended the exclusion in the 1998 Act from discrimination on the age ground in respect of persons less than 18 years or 65 years or over. No upper age threshold is provided for but compulsory retirement ages may continue to be set. In the former case, a provision based on the statutory age for school leavers is provided and employers may continue to set minimum recruitment ages where they do not exceed 18 years. Both provisions are intended to avoid the anti-discrimination code undermining State policy to discourage early school leaving. As I stated during the May debate, the Equality Act 2004 made two consequent provisions in respect of older employees to fit the equality provisions into the more general body of employment protection law. The first permits employers to offer fixed term contracts to persons over the set retirement age, without being in contravention of employment protection law governing permanent and temporary employment and

employees’ rights in this context. The second provision extends the employment protection law governing unfair dismissals to persons, regardless of their age as long as they are still in employment.

The Equal Status Act 2000 prohibits discrimination on the ground of age in access to and the supply of goods and services and it has delivered benefits in protecting the rights of older people. Commenting on the case of *Ross v. Royal and Sun Alliance*, in which the equality officer found that the operation of an “across the board” policy of refusing motor insurance quotations to persons over 70 years in conflict with the Act, the Motor Insurance Advisory Board stated, “This decision means there is now a real deterrent to unjustified discrimination”. The general principle of equality not only requires people in the same situation to be treated equally, it also requires different treatment for people in different situations. We all recognise that older people can have special needs, for example, in the areas of health and housing. For this reason, the Equal Status Act specifically permits housing authorities to provide priority in housing of older people.

Legislation alone will not address all the issues facing people as they grow older. To combat discrimination, it is necessary to challenge attitudes, prejudices and behaviours. The working group on equality proofing was established under the aegis of the Department of Justice, Equality and Law Reform during the lifetime of the Programme for Prosperity and Fairness and continues to work towards developing a system for the proofing of policies and services in the public sector to avoid an unanticipated negative impact on the groups protected under equality legislation, including older people, to ensure policy coherence and best use of resources.

There should be a continued focus on applying the equality proofing models developed by the equality proofing working group rather than creating individual proofing exercises such as age proofing. It is preferable to promote comprehensive equality mainstreaming covering all the nine grounds covered by the equality legislation which, in addition to age, include the grounds of gender, marital status, family status, sexual orientation, religion, disability, race and membership of the Traveller community. It also recognises the many facets of each of us as individuals. As Senator Kett so eloquently stated in our earlier debate on this issue last May, this is an area which requires vision and leadership.

With the further renewal of its term of office in 2003, the Government asked the National Economic and Social Forum, NESF, to convene public consultations on specific policy issues, of which creating a more inclusive labour market and care for older people were identified as priorities. I acknowledge the contribution being made by the NESF in facilitating discussion and dialogue on policy issues connected with ageing and older people. This provides a valuable forum

[Mr. Fahey.]

for individuals and members of the wider voluntary, community and other sectors to contribute to the social partnership process on a structured basis. The NESF has produced a wide range of influential policy reports in past years on these priority topics and on the implementation of equality policies for older people and labour market issues for older workers.

I welcome Senator White's research into ageing and age discrimination which she will present today. I congratulate her on the initiative and hard work that went into the report, which provides a useful and provocative addition to the debate on the participation of older people in our society.

The parties to the new framework social partnership agreement, Towards 2016, share a vision of an Ireland which provides the supports, where necessary, to enable older people to maintain their health and well-being, as well as to live active and full lives, in an independent way, in their own homes and communities, for as long as possible. To achieve this vision, the Government and social partners will work together over the next ten years towards the following long-term goals for older people in Ireland in the context of increased longevity and greater possibilities and expectations for quality of life of older people.

Every older person will be encouraged and supported to participate to the greatest extent possible in social and civic life, will have access to an income which is sufficient to sustain an acceptable standard of living, and will have adequate support to enable them to remain living independently in their own home for as long as possible. This will involve access to good quality services in the community, including health, education, transport, housing and security. Every older person will, in conformity with his or her needs and conscious of the high level of disability and disabling conditions among this group, have access to a spectrum of care services stretching from support for self-care, through support for family and informal carers, to formal care in the home, the community or residential settings. Such care services should ensure the person has opportunities for civic and social engagement at local level.

Overall, 46 priority actions have been agreed by the social partners to make progress towards these long-term goals. These priority actions, which include the commitment of adequate resources, cover pensions and income supports, long-term care services for older people, housing and accommodation, ensuring mobility for older people, ensuring quality health services for older people, and promotion of education and employment opportunities for older people. Specific funding targets have been set for many of these actions. For example, funding for the rural transport initiative, which is making a very important contribution to supporting community-based living, will be doubled by 2007.

I thank the House for the opportunity to participate in this debate on a topic which is important to us all. I will take on board the proposals, suggestions and views of Members.

Ms Terry: I welcome the Minister of State to the House and welcome the debate. I thank Senator White for her work in this area. Her booklet is of great help to us all. I called for this debate last week, as did Senator White, as a result of a number of articles that appeared recently in the newspapers which brought the issue to our attention once again. It is an issue I want to continue to raise in the House because it is about raising awareness and ensuring that we keep this issue at the top of the agenda. With a growing older population in Ireland, it is more important than ever that we keep it to the top of the agenda and address the issues we know exist and affect older people.

In Ireland today, there are almost 750,000 people aged over 55 and this will increase significantly in the coming decades. This raises many issues that must be addressed and many challenges, especially in the areas of nursing care, community care and hospital care. We deal with these issues when discussing health. In my contribution I intend to concentrate on ageism in terms of how we view older people and how I would like to have them participate more in our society. I will steer away from the negative attitudes many in society have about older people.

While I am not sure at what age one would be categorised as an older person, older people are an untapped resource of which we should make much more use. There are thousands of older people who are fit and able to contribute to society in many ways. Departments need to recognise this and we must make further changes to legislation and bring about new policies to support longer working lives and later retirement.

People are living longer and are far healthier than earlier generations. Increasing longevity is an indicator of social and economic progress and we need to reap the benefits of that longevity. We need to harness the wealth of experience possessed by our population. Age Action Ireland expressed this view when it stated:

[T]he state could easily encourage 'at-home' work through the use of broadband internet. It is hardly beyond the wit of human beings to devise other ways in which knowledge and skills amassed over decades, can be used for the benefit of others. Useful, paid employment (for example telesales or monitoring) could easily become a feature of older people's lives.

We need to consider the retirement age and the United Kingdom's recent decision in this regard. Anti-age discrimination legislation reinforces the message that age is no longer a barrier to work. While there will always be those who, for health reasons or perhaps because of the type of hard physical work with which they were involved,

cannot work beyond the age of 65 or even earlier, there are many more who would love the option to work beyond 65, either full-time or part-time. As Age Action Ireland stated: “the seventies should now be seen as mere middle age”. I agree with this assessment.

Many would see their 60s and 70s as a time to do something completely different with new challenges. We need to provide opportunities for people to upskill as well as providing flexibility in the workplace and ensuring that employers do not discriminate against older workers. Older employees are often seen by many employers as being a valuable resource bringing with them a wealth of experience. They also have a better understanding of, and are more sensitive to, the needs of older customers.

In the retail sector, including banking and many other aspects of commercial life, older people often prefer being helped by staff who are closer in age to them, rather than by staff who correspond to their grandchildren’s age group. Five or ten years ago, banks had an aggressive early retirement policy for staff, as a result of which one would hardly find a grey-haired person working in a bank. It was a retrograde step, however, because the experience of older staff members was lost. Older customers felt more vulnerable when they could not find a staff member of their own age group. Such a situation must be avoided in future and, thankfully, the position is changing. We are seeing less early retirement of people aged 50 or over.

Extending people’s working lives, thus delaying their retirement, brings many benefits and helps to maintain a certain standard of living for longer. While we hear much about the problems of pensions there are positive things we can do in this regard, many of which I have promoted during debates in this House.

By deferring retirement for a number of years we could help people’s pension provision. We could also have more flexible retirement schemes, combining part-time work with pensions. We need to examine the possibility of reforming the tax-free lump sum, for instance, which is given at retirement to workers who have occupational pension schemes. This tax incentive works against pensioners in that it depletes their pension fund by 25%. It really is a tax incentive abused by wealthy people at the expense of the majority of taxpayers. Changes were made to this aspect in the last budget and I am hoping the Minister for Finance will make further changes in this regard in the forthcoming budget.

I can understand why pensioners with small occupational pension schemes might wish to avail of the tax-free lump sum. Why should they not do so? However, I do not believe that is the purpose of their pension fund. We need to address that issue. If we want people to save for their pensions we should encourage them through tax incentives to leave their pension fund intact so it will be there for their retirement. Therefore,

instead of giving them a tax-free lump sum we should give them a tax incentive to leave that lump sum in place. In fact, if they were given the same tax incentive to leave the lump sum in place many people would do so. That, in turn, would help their pension when they wish to draw it down. Such a system should be ring-fenced for those on small and medium pensions, and not open to abuse by wealthy people.

We also need to promote more positive attitudes to ageing. We live in a society that is obsessed with youth. Images that confront us daily in newspapers, magazines, billboards and on television feature beautiful young people. Meanwhile, older people are stereotyped as unattractive, inactive or a burden on society, which contributes to negative attitudes. Such stereotyping is most unfair and, as the Minister of State said, it is also hurtful to many of our older people. We should tackle such negative images in any way we can.

Older people’s groups need to be resourced and supported to engage in community advocacy. Such groups can provide information, advice and support to older people who may be experiencing discrimination. In addition, they can promote awareness of relevant legislation and of ageism cases that have been taken successfully before the Equality Authority or at a tribunal. Such awareness enables older people to become active in their communities and in society at large.

Legislation, institutional change and new investment are required if equality is to be implemented for older people. That view has been already expressed by the Equality Authority. I agree with the comment in the Minister of State’s speech that we need to do a lot of work in this regard. I also agree with the goals that he has set out for older people. However, the use of the term “long-term goals” bothers me because we need to tackle many such issues quickly. I would prefer to see them being regarded as short-term goals.

We have increasing problems with older people who wish to remain in their homes but who are not getting the services they require to do so. I realise that such services cost money but it costs far more to put older people into nursing homes. It is disturbing that, time and again, services are not available for people who seek them. Such services — including home help, a public health nurse or aids like proper beds, chairs or ground-floor accommodation — would enable elderly people to stay at home. If these services are not available, however, some families may decide that their loved ones should enter a nursing home, and that is a sad day. It is short-term thinking when we know it costs more to keep an older person in a nursing home than at home. The Minister of State may list all the things that need to be done but they should not be considered as long-term goals. We need to change that perspective because we want these goals to be short-term. They should be fast-tracked to ensure we

[Ms Terry.]

have proper supports for families caring for elderly relatives.

Earlier this week I attended a meeting arranged by the Carers' Association. I am sure the Minister of State meets such people in his own constituency but it was interesting to hear the stories of those carers. They were complaining of a lack of support but it is not good enough in this day and age that we cannot provide such support for them.

Disability legislation currently provides for an assessment of needs for people with disabilities but legislation should also provide for such an assessment for older people. They should be entitled, as of right, to have the requisite services provided. People should not have to struggle to obtain rights for their loved ones. I would like to see older people being entitled to an assessment of their needs.

While much work is being done to protect and enhance the lives of older people, a lot more needs to be done. As the population increases and older people become a larger percentage of voters, attitudes will change. If such changes come about only as a result of pressure, however, it will be a bad thing. I hope the changes will be made because they need to be, and I look forward to that day.

Ms White: I was delighted and honoured that the Minister of State commended my document in his speech. I appreciate that very much. I wish formally to thank the Leader, Senator O'Rourke, for allowing us to have this debate on ageism and ageing. In my policy document, *A New Approach to Ageing and Ageism*, I make a case on behalf of the thousands of older people who suffer unnecessary discrimination in Ireland every day. I launched my document in June and Senator Maurice Hayes kindly made a presentation on behalf of the older people in Ireland and in support of my document. This policy document is based on more than a year's research, on consultation with older people's groups, public meetings and attending conferences for older people.

Benefits for older people in Ireland are currently provided for on a year by year basis in the budget and are subject to budgetary constraints. Services for older people should be guaranteed in law. In 1965, United States President Johnson introduced the Older Americans Act, which outlines the duty of the US Congress to older people. This Act spells out that in law older people are entitled to an adequate income on retirement; the best physical and mental health care science can make available; suitable housing at costs older people can afford; and efficient community services. More importantly, it put into law people's right to freedom, independence and the free exercise of individual initiative in planning and managing their lives. We need legislation such as an older Irish people's Act to prompt a paradigm shift in the minds of policymakers to

ensure improvements in the areas of quality home care services, quality community support services and quality long-term care services.

The last census in 2002 showed that 15% of the population were over 60 years of age and 11% were over 65 years of age. Despite negative stereotyping to the contrary, older people are not helpless, a liability or a burden. All research shows that older people in Ireland feel capable of doing their everyday business without any difficulty but they are held back from realising their full potential by the outdated attitude of Government and society as a whole. In saying that I am not attributing blame to the Minister of State.

With the improvements in health care, standards of living and housing, the number of people over 65 years of age is set to increase dramatically in the coming years. The CSO projects that the number of people over 65 years of age will increase by almost 50%, from 430,000 in 2002 to 628,000 in 2016. Therefore, the response we make to today's positive challenges set by a healthier and more active older population will have far-reaching consequences for future older generations.

Life expectancy is increasing all the time. A man of 60 years of age today can expect to live to the age of 80 while a woman of 60 years of age can expect to live to the age of 84. As older people are healthier and live longer, they will have higher expectations for their quality of life. Professor Seamus Caulfield of UCD, who spoke at one of the public meetings I organised, said that a person can go to bed the night before his or her 65th birthday perceived to be an asset to the State but the next morning be perceived a liability.

A topic that has frequently arisen at my public meetings is the issue of mandatory retirement. The age of retirement at 65 was introduced in law approximately 100 years ago when the average life expectancy was 65 years of age, and it has not been reviewed since. I have experience first hand at my public meetings of the frustration and heartbreak suffered by men and women who will have to retire in the next two or three years on reaching the age of 65. Their hearts are broken because they do not want to retire. All employees do not want to continue to work after retirement age but approximately a quarter of employees who retire every year do not want to retire.

For many women, including myself, the mandatory retirement age of 65 is a double discrimination because they had to retire when they got married. It was not until the implementation of a EU directive in 1973 that married women were allowed to continue in employment. Men have raised this issue at my public meetings and I have had letters published in a newspaper to which people have responded. Some men who are due to retire in two or years' time do not want to do so and the requirement that they must is upsetting them now. Many of them do not want to retire for financial reasons; they still have chil-

dren in college and have to provide for them. However, many people want to retire at the age of 65 and many older people want to pursue further education, a point to which I will return.

The measures I propose can be implemented quickly and will have a positive effect on the economy and the quality of life of our older people. At their core is the provision of real choice for older people who wish to continue working, the choice of staying on in work, retiring or retiring gradually by reducing their hours. In my document I propose that the mandatory retirement age should be abolished and that continued employment should be subject to the same assessment of competency, ability and good health that is used by employers in the case of employees of all ages.

My second recommendation on the issue of retirement is that the Government should introduce a gradual or phased transition to retirement such that a person could chose to work one week on and one week off rather than his or her job being guillotined when on reaching the age of 65, and all that goes with that. A person's network at work is cut off when the person reaches retirement age.

It is a contradiction to force experienced people out of work while desperately seeking economic migrants to fill job vacancies. People are being forced into retirement while we are desperately trying to recruit people to fill job positions. A recent MRBI survey, commissioned by *The Irish Times* and published in September, found that more than half of people over the age of 50 do not want to retire before the age of 65 and that many wish to keep working beyond that age.

The UK introduced the UK Employment (Equality) Age Regulations on 1 October, which provide that it will be illegal to discriminate against employees, job seekers and trainees on the basis of their age. Our Government is to be congratulated on the enactment of Equal Status Act, which led the field in many ways. However, the UK Act goes further than our legislation. According to the Department of Trade and Industry in the UK, its procedures will allow a constructive dialogue between employers and employees who want to continue working after retirement. Employers will not be able to retire employees before they reach the age of 65 without objective justification. Above all, these new UK regulations give all employees the right to request to work beyond the age of 65 and the right to have this request considered by management. I urge the Government to consider introducing similar legislation.

In regard to the health service, surveys consistently show that older people consider they are not treated equally and that doctors are reluctant to refer them to specialist treatments and preventative care programmes. Older people feel their health complaints are dismissed by health service workers as part of the ageing process.

They have a right to parity of esteem in their access to services and treatments and care must be available on the basis of need, not on the basis of age. Old people must not die of treatable diseases. An example of ageist discrimination is the age limit of 64 on BreastCheck. Professor Des O'Neill, professor of gerontology in Tallaght Hospital, has told me that women are at the highest risk of developing breast cancer between the ages of 55 and 75. I acknowledge that the Minister for Health and Children, Deputy Harney, has accepted the need for an increase in the age limits, but the new strategy for cancer control only recommends an increase in screening age up to 69.

While the life expectancy of older people is increasing continually, Ireland is not at the head of the class, as I discovered last year when I started my research. Our outdated approach to health care for older people contributes to the relatively low life expectancy of older people in Ireland compared with life expectancy for older people in other OECD countries. To effect an improvement in these figures, we must change our attitude to older people's health by providing services on the basis of need, not age.

I have spoken on about ten occasions, in Donegal, here yesterday in the audio-visual room to older people from Cork, and elsewhere since I produced my document. I mention on every occasion how doctors talk down to older people, telling them their health problems are due to their age. They do not address the problem. They do not want to give aggressive treatment for the problem. It is abominable. Everyone in the room nodded. Doctors and nurses talk over their heads. They talk to their families about them. In the workplace we have had a very successful national action plan against racism. I propose, and perhaps the Minister could drive it in his Department, that we introduce a national action plan against ageism. We have role models such as our esteemed Senator Maurice Hayes who is an inspiration to me and to all of us in the House and is a role model for men and for women. Dr. Garret FitzGerald is also a role model. Even though he is a member of an Opposition party, I commend him. Dr. Whitaker and Gay Byrne are also role models.

Mr. Leyden: And the Pope.

Ms White: And the Pope, if the Senator likes.

Mr. Ryan: And me.

Ms White: What age are you?

Mr. Ryan: Sixty.

Ms White: That is nothing. The Senator does not have to retire.

The Minister could drive a national plan against ageism and have inspirational role mod-

[Ms White.]

els. Role models work. People can inspire others. There is no question about that.

People must retire from State boards at the age of 70. That is ridiculous. I was on the board of Bord Bia when, approximately five years ago, Mr. Hanrahan, the chairman of the Kerry Group, had to retire when he was 70. I was not into thinking about ageism then and I took it for granted. When I started on this document, I wrote to Mr. Hanrahan that I felt awful about not having made an objection. The chairman of the Kerry Group, one of the largest companies in the world, was told he was too old to be on the board of Bord Bia. The Minister brought figures relating to the improvement in the participation of women on State boards. I commend him on that and on his attitude to this issue. I suggest there should be an age balance on State boards as well.

I thank the Minister for referring to my document. I did my heart good because a huge amount of blood, sweat and tears went into it. We are all getting older so ageism affects us all in one way or another.

Mr. Fahey: Senator White is not getting older.

Ms White: I was 62 last Saturday. We were never told about the advantages of getting older when we were 21. The advantages are hidden.

Mr. Fahey: Do people look after themselves better when they are younger?

Ms White: They do not appreciate things as much. They are not as wise and not as sensible. There are many benefits to getting older that are never talked about.

I again thank the Minister. All the people in the Chamber at the moment, Senators Terry, Maurice Hayes, Leyden, Ryan——

Mr. Ryan: We are only youngsters.

Ms White: ——are on a mission to help future generations. It would be very easy to abolish the retirement age of 65. Politicians do not have to retire. Senators and TDs are not bound by this law. That is a contradiction. It would be a dramatic move to abolish the retirement age. The bottom line is that 71% of people over the age of 50 voted in the previous general election. As a business person I see in that a niche, an opportunity. I am not being cynical. They are interested enough to vote.

There is a down side. Many groups represent older people but, unfortunately, they are fragmented. Older people are not a political lobby because the groups are fragmented. They have not made their presence felt, and they are the people on whose backs the Celtic tiger was built.

Mr. Ryan: Cuirim fáilte roimh an Aire Stáit agus roimh an díospóireacht seo. It is probably the day for advertising one's age. I turned 60 dur-

ing the summer and I do not feel or notice any difference. I understand 55 years is the age at which one joins the ranks of the elderly. Such categorisation is ridiculous. I believed that as much when I was 20 as I do now.

I am sorry I was not here for the Minister of State's speech but I read the script. I do not want to be misunderstood but, while I agree with the Minister of State on the need to ensure the provision of adequate resources for pensions, long-term care services for older people, housing and accommodation, ensuring mobility and so on, what he said implies — and I am sure it was not his intention — that the elderly are a group in need of special care. We use entirely different language about children. We see them as a huge benefit in society.

It would be worthwhile working out how much society spends through public, not private, provision on children from the moment of conception when we provide a reasonably inexpensive care service for pregnant women through to childbirth and on into childhood and primary and secondary education. It would be interesting to work out how much that 25 years costs and compare it with what is spent on people who work till they are 60 and probably have a reasonable chance of living another 20 years. What is the net cost to society of a 60 year old living on a decent income until they are 80, paying tax on that income, and probably paying tax on many of their purchases and, if they have a decent income, paying the highest rate of VAT because they might be indulging in slightly more luxurious things, so there would not be a huge proportion of their income spent on food? Work out then the net cost to society of provision for up to 25 years where no income tax will be paid because most services will be provided. When we work it out we begin to get away from the single biggest hang-up of society, namely, that we have an aging crisis. Of course there are some issues. Any well ordered society must look at demographic change and plan for it. However, we are hopeless at doing this.

Since the 1970s, successive governments have been warned that we will have a significant bubble of under 15 year olds, yet we ended up with prefabs, crowded schools and under provision. We still have problems. I thought about complaining about the advertisements for the census to the Advertising Standards Authority of Ireland because they suggested we needed to assemble the information in the census to enable us to plan schools, hospitals etc. The overwhelming evidence is that we did not show a jot of interest in the projections or figures of previous censuses.

We need to address the issues. We have been told our age structure may shift within the next 40 years, but we must remember that this prediction is based on projections about population and childbirth rates, etc., which are drawn from the worst and lowest figures in terms of marriage and childbirth the State ever had. The circumstances

have already changed and the figures produced five years ago are out of date. The story about the coming burden of an aging population is not a burden; it is a change from a structure we had to another structure. If the structure was to change in the way projected, the single biggest element of our social welfare payments would be child benefit. If the country ends up with a dramatically different structure and with far fewer children and more older people, the payment of child benefit would obviously have to decrease. However, it is impossible to find anything in what has been written that addresses this and this is one of the reasons I would not dispute the importance of people making a provision for their future. Nevertheless, I do not see this in terms of retirement.

What we should consider is the number of years people should work in order to be able to enjoy the last third of their lives, rather than make provision for a dependent population. Do we believe that in an ideal world people should work as long as they are physically able at a level imposed on them from the outside? The level of activity of people such as Senator Maurice Hayes, for example, is what he chooses to do, not what he is coerced to do. I hope to be in the same position for the next 20 years. I do not want to sit in luxurious idleness for 20 years smoking my cigars in Cuba, perhaps, which is probably where certain people wish I would go. I do not want to do that.

We should look at the number of years people need to work in order to be able to live and enjoy the last third of their life — work 40 years for example. Perhaps they should be students for 20, work for 40 and then live for 20, not because they are not able to work nor because they are dependent or a burden, but because that is the way we choose to order our society. This turns all the arguments somewhat inside out.

Last Monday I was almost incandescent with rage to hear some bright young man from IBEC say the idea of defined benefit pensions was an old fashioned idea. What is the new fashioned idea? I accept restructuring is required to ensure people have a decent income when they are old. The suggestion from the young man from IBEC was that people should pay for the income they are to get when they are elderly themselves and that their employers should not have to pay and that they had no duty to their employees in this regard. This proposal uses a distorted argument about pensions to begin a process of gradually reducing the areas in which employers have any legal responsibility towards their employees. This is what the argument is about.

The level of gross domestic product the country would need to set aside in order to guarantee its older people a decent income — roughly half to two-thirds of what they were used to when working — is not unaffordable unless we subscribe to a particularly brutal low tax regime or to erecting barriers to immigration or presume we will have

the same low level of fertility as we had for the past 20 years.

I read a long article in the *Irish Banking Review* about the so-called pensions crisis. One of the minor benefits of being an engineer is that one is not intimidated by numbers, graphs or statistics. Therefore, I could look past the article's nice lines which I know were written by economists who make the lines do what they want. The assumptions made in the article were that the economy would only grow 2.5% per annum over 40 years. That is way below the lowest average over 40 years in the history of the State. Second, the writer made the most pessimistic possible presumption about population structure and produced a projection on a graph for the year 2050. That graph was only as good as the assumptions, and they were wrong.

In terms of ageism, we must address the fact that we are not talking about a major change in life. The most fundamental change in people's lives comes when adolescents mature sexually, which is a profound change. Aging is not like that for men, although women face another major life event which changes their lives. For men aging is a continuum. This should be a continuum where people are supported to enjoy the best quality of life, whether working or not working. I have no problem with regard to defining a decent period for which people must work. I do not want to create a nation of lotus eaters. Neither do I subscribe to the idea that aging and older people are a burden. Aging is only a burden if we believe all people able to work should work until they are so ill that they cannot work any more. If we believe that, that is what we should debate.

On the other hand, if we believe the function of an economy is to provide a society in which people have responsibilities and duties and where society, in return, provides for people at every stage of their lives and if we accept the idea of older people as being among the beneficiaries of the wealth of a country, many of the issues of ageing will not arise. We will not have as many people needing to go into nursing homes. If we keep people alive and allow them to be vital, they will retain their faculties in better order.

There is overwhelming evidence that older people will be more alert and less likely to suffer from the illnesses of ageing if they are intellectually alert and physically fit. They do not need this to be provided for them but simply need the income to be able to provide for themselves. They also need a cultural context in which they are not just tolerated but where it is regarded as good not to let our older people live in misery. Our job is to ensure that when people have worked for a decent period, if they have the good fortune to be in reasonable health, they have a further decent period in which they can enjoy the benefits of a decent income.

I am astonished at the failure of a market economy to recognise that there is an increasing pro-

[Mr. Ryan.]

portion of people over 50 who have substantial disposable incomes. Unlike the giddy 25 year olds, people over 50 are not easily conned into buying things they do not need or want. They have to be persuaded that what is on sale is of some use or good to them. They are much tougher customers. There is a degree to which the market is infected with a form of ageism which overlooks them because they are far too crabbed, so to speak. They will not be fooled into buying electrical or consumer goods they do not need, yet there is market for services and provision based on real, intelligent and informed consumer decisions. Many of those trying to sell to the market have decided it is too much trouble and effort to sell to this potentially very lucrative market. This market does not require services offering Kruschen salts for constipation because they are people who have new and different needs which are just as positive as those of people in their 20s.

Dr. M. Hayes: I welcome the Minister of State to the House and thank the Leader for providing time for this debate.

I deeply regret Senator Ryan's address because it has made what I have to say entirely redundant and he has done so with great energy and elegance. My contribution will reiterate what has been said by Senators White and Terry. It is fitting that we pay tribute to Senator White for the efforts she has made in this field and for the accuracy of her research and the manner of its presentation.

This is a debate on the subject of ageism as defined by the Minister of State and not specifically a debate about services for the elderly which is a different subject. Ageism is about discriminating against people because of their age and specifically this debate is concentrating on the elderly end of the spectrum, although there are problems with regard to the age of consent for people at the younger end of the scale which the House will need to deal with.

This is not a case of providing for dependency. I will argue the case from the point of view of the economic, developmental and societal value. Age is a significant resource in society which can only be too easily cast aside and society would be very foolish not to make use of those assets. We are in danger of ignoring what is happening in society. Life expectancy is increasing dramatically, as is the health of people while they are alive at those ages. Limits which were set 70 years ago are no longer sensible.

Senator Ryan alluded to the demographic make-up and the shifting patterns of groupings in society. These used to be referred to as dependency ratios but I prefer to use another term. People no longer aspire to stay in the same job for all their lives. The days of a Guinness clerkship of the third class which Myles na gCopaleen used to talk about, which was permanent and

pensionable forever, have gone. Jobs are cyclical in nature as technologies and developments overtake processors. Like Senator Ryan I do not think anybody should be forced to work and neither should anybody be forced out of work either.

Many of the special interest groups feared that when all the equality functions were pressed into one equality agency, there was a danger of some of the less vocal groups being overlooked. I worry a little about the idea of a general equality proofing because the cycle of activity over a lifetime needs to be considered or else could be lost. While the Equality Act prohibits discrimination, it is time to put some flesh on the bones of the Act, and this is being proposed by Senator White.

The Minister of State said in his contribution that no upper age threshold is provided for but compulsory retirement ages may continue to be set. He explained why age limits are used at the younger end to prevent early school leaving but he gives no reason it is not possible to do away with the compulsory retirement age. The public service is in a position to do this and it should be the leader in this regard. Along with this should be a greater flexibility in the workplace and a greater ability to change from job to job or to step out for a while or to work for part of the week.

I work probably as much now as I did before I retired but it is in my own time. I can pick and choose whether to work. With due respect to Ministers, I am not depending on or waiting for a Minister. This sort of flexibility is desirable and if it were developed within the public service, it could easily be passed on to the private sector.

I started my life as a teacher at 20 years of age. I knew nothing except what I read in books and I was teaching boys who were only a couple of years younger than me. I have forgotten the books but I might now have something to teach people. A woman who has raised a family in hard times is in a far better position to talk about domestic economy to school students than a young college graduate of 20 or 22.

As a result of information technology, it is possible to work from any place and feed into information from anywhere in the world. The possibilities of IT to link people into the workforce should be examined in an imaginative way because this would enable them to continue to work. This may be a way of making the Government and the agencies concerned talk about other issues besides the elderly. It might be a way of getting them to discuss equal access to broadband services throughout the country. What are the fears of elderly people? They fear being alone and being mugged in their houses.

There is a range of issues related to security, the Garda, the Garda Reserve and various community supports. The objective should be to keep people as active as they can be for as long as they can be and in their own homes for as long as they can stay there. They should not need to worry about whether their homes need to be mortgaged. One of the most tragic things I have seen was the

widow of a very good friend of mine who died last year aged 96. She was shifted from one nursing home to one that was not so good to a less good one as the funds, for which she had mortgaged her house, ran out.

As Senator Ryan said, keeping people active is a great inhibitor of the diseases of ageing, particularly Alzheimer's, etc. As considerable research has taken place into the subject, we can state that fairly categorically. This suggests that we should keep people active and support them in order to get enormous paybacks because hospital costs would be eliminated. While care in the community is not cheap, it is considerably cheaper than hospital care.

I understand the question of pensions is rightly being considered more widely. We need to ascertain how the pension systems that have been developed can be adapted to emerging lifestyles and needs. The message from this debate should be that old people are not asking for charity. They are not presenting themselves as cases for care. They are looking for the opportunity to make a continuing contribution to the economy and to social life from their own vast experience and the wisdom they have accumulated over the years.

Carers require special attention. Given that people are living to 80 or 90 years of age, they are often being looked after by their children, who themselves are increasingly fragile in their 60s and 70s. Given the Irish culture, most frequently they are daughters. Those carers need particular help and nobody should feel trapped as the one member of the family who must look after the elderly parent because others have gone off or because the State is not providing sufficient support.

It is encouraging that the Minister of State is here today. While the aspirations in the plan until 2016 are fine, we would like to see them fleshed out. We would like to see a timetable and would like to see the actions implemented earlier rather than later. I would like the Minister of State to take Senator White's document and do what he can to implement its proposals.

Mr. Leyden: I welcome the Minister of State, Deputy Fahey. I know he will give the same commitment to ageism as he gave to the Disability Act. He made a great contribution by introducing that very difficult legislation, which has meant so much to so many people. He earned great regard for his work in that area and this is another area to which he can direct his talents.

I commend the Senators who have spoken. Senator Maurice Hayes is an inspiration in the work he is doing as chairman of the National Forum on Europe, which holds its fifth anniversary next week, and all his other involvement in public life. It was a wonderful choice by the Taoiseach to reappoint him to the Seanad.

Senator White's work in this area is highly commendable. She has made an enormous contri-

bution to public life by the work she has put into assisting older people and addressing ageism. The Minister of State should consider legislation and given that the Department is very busy I am sure that Senator White would be delighted to bring some of it through Private Members' time here. Some of the legislation should be straightforward and could be of great benefit.

I have domestic support on the issue of ageism. My wife, Mary, who happens to be in the Visitors' Gallery today, is carrying out a post-graduate thesis on ageing and ageism, with particular emphasis on women and how it affects them. It gives me an extra insight into the issue, along with the work that Senator White is doing and the seminars she is holding.

Ageing is currently perceived as a problem rather than a resource. Although older people have a wealth of life experience, knowledge and wisdom, ageing is generally regarded negatively. Ageist attitudes have a negative impact on older people's lives at a practical level and are highly visible at a policy level with insurance and medical providers, and even at a State and semi-State level, where there should be no discrimination on age grounds. I was very pleased by the very positive comments of the Minister of State in this regard.

The health insurance provider, BUPA Ireland, has challenged the risk equalisation policy on the basis of costs. VHI which operates a policy of risk equalisation discriminates against people over 65 who seek travel insurance, which costs €49 per annum for those aged under 65 and costs €149 for those aged 65 and older. This threefold increase in costs is a grossly unfair form of discrimination. Many insurance companies refuse to quote for people aged over 65 or 70. The Minister of State referred to a successful case against an insurance company taken to the Equality Authority.

The breast cancer screening programme for women aged between 50 and 64 is not yet available on a nationwide basis. While it is being rolled out, it is happening much more slowly than we would have anticipated and is costing lives. This important screening service should not stop at the age of 64. Older women are the ones most prone to breast cancer. Stopping screening at the age of 64 suggests that women older than that age do not matter. I cannot see how this is allowed to continue. I am sure that Senator White has made this point strongly to the Department of Health and Children. Perhaps she should submit it as a matter to be taken on the Adjournment. There are no grounds for this discrimination. Specialist treatments should be prioritised on the basis of need and not age.

Only approximately 5% of older people require long-term institutional nursing home care. More older people are long-term residents, owing to inadequate community and home-based services. Once in institutional care elderly people are disempowered. They have no say in decision making for themselves. Considerable additional

[Mr. Leyden.]

effort could be made in this area. For instance, older people in public nursing homes have no involvement in the management of the institution. There is no reason why a consultative process could not be introduced into such institutions by the Department of Health and Children, allowing people to have a say in the services being provided. They are totally powerless. I have brought this to the attention of the new management in the Sacred Heart Hospital in Roscommon and I hope it will allow older people to have more of a say. For example, there are currently no shopping facilities and residents are not given the opportunity to play a role. That issue could easily be resolved but, as the Minister of State, Deputy Fahey, is aware from his involvement with the Western Health Board, it is hard to foster change.

Recognition should be given to the wisdom and knowledge of older people. The Minister for Transport, Deputy Cullen, was wise to appoint a man of vast experience, Mr. Gay Byrne, as chairman of the Road Safety Authority and I commend my colleague, Senator Quinn, on his decision to actively recruit older people to work in Superquinn. Most other multinationals have since followed the Senator's example because older people are reliable and they enjoy the opportunity of playing an important role in the community. However, like many others, I was saddened to learn about the involuntary retirement of my favourite late night broadcaster, Mr. Val Joyce. Despite the fact that he was providing a great service, RTE decided to make him redundant because of his age. I regard that as a form of ageism.

Ageism is different from any other form of discrimination. Racists are unlikely to become members of the race they dislike but we will all grow older. Therefore, by being ageist, we discriminate against ourselves in the longer term. A nationwide information campaign would be worthwhile in terms of passing knowledge on the issue to younger people.

The efforts Senator White put into preparing her report brings credit to Seanad Éireann. If a commission was paid for the report, I do not think the Senator's imaginative proposals would be equalled. I hope each of her recommendations will be adopted by the Government. The report should be analysed by the Minister of State and his officials with a view to taking immediate steps on its recommendations, through legislation if necessary. It would be more convenient if the Minister of State rather than Senator White introduced such legislation because of the difficulty in finding time in Private Members' Business.

I thank the Leader, Senator O'Rourke, for allowing time for this debate, which allows us to concentrate our minds on the issue and to keep it before the public. We will not receive much media attention because the media themselves are sometimes discriminatory with regard to age,

but the Minister of State may come up with new initiatives as a result of today's debate.

I was nominated to the Seanad by the Garda Representative Association, the members of which suffer discrimination because of the requirement that gardaí retire when they reach the age of 57. Even the most qualified and brilliant garda cannot remain on the force beyond that age. However, new reserve recruits, of whom I am not in favour, do not seem to face any such age barrier. Why not allow trained and qualified gardaí to serve until they reach a suitable age? The Department of Justice, Equality and Law Reform is discriminating against 12,000 young men and women in this country because of this retirement age. If the Minister of State dispensed with the requirement, he would easily ensure that the target of 14,000 gardaí is met by the end of the Government's term in office.

Older people are potentially the most influential voters in our democracy but they do not use the power they have to bring about change. It is to be hoped that the meetings being organised by Senator White will empower people to lobby legislators on making ageism illegal.

Mr. O'Toole: I commend Senator White on producing this report, which has fostered an important debate. I wish to discuss the losses to the economy caused by ageist policies and structures. The Shinto religion in Japan, which is the basis of much of that country's development, is centred on the experience of previous generations.

For a similar debate on this issue ten years ago, I asked some experts from Boston College and other institutions in the United States to examine legislation pertaining to age and retirement. I believe we have gotten it all wrong. I once met a senior employee with IBM who wanted to continue working but did not wish to do so full-time. That is a common feeling among people who approach what is referred to as the retirement age.

When people go from working full-time one day to doing nothing the next, they suffer negative impacts, their workplace loses an experienced employee and the economy becomes less productive. This issue has led to changes in pension legislation in the United States. In some Irish companies, once an employee begins to draw a pension, he or she is no longer involved with the company's operations. Take, for example, somebody who spent his or her career working in the ESB and who achieved a position in senior management before taking up a retirement package. The person knows all the secrets of the job, so the company should not want to lose him or her. However, because the ESB is prevented by law from continuing to employ a pensioned staff member, the person will go to work on a contract basis for Northern Ireland Electricity or Veridian. He or she continues to receive a pension from the ESB while selling his or her expertise to the

opposition. That is just one glaring example of the anomalies we are creating. The United States has changed the legislation to allow a person earn a salary and receive a pension at the same time.

Someone who reaches retirement age and is entitled to a full pension may wish to work half time. He or she gets half his or her pension payment, because he or she is on half his or her pension, and half his or her salary as pay, because he or she is working half time. On the amount a person is paid, he or she must pay normal taxes and continue to make a pension contribution. That is done in a flexible fashion. The man from IBM to whom I spoke does not like the weather in New England during the winter so he works six months of the year there when the sun comes out and the snow starts to melt. As soon as the fall ends, he moves like a snow goose to Florida and spends the next six months there. What is wrong with that? Everyone is a winner.

Our legislation must be changed to deal with such a situation. The Minister for Social and Family Affairs has very progressive ideas on some of these pensions issues and if he was let have his way at Government level, he would implement some of them. If we were to do that, we would all gain. I guarantee that if we are all here in five years' time discussing this issue, we will have reached, more or less, the limit of bringing women back into the workplace from domestic duties. We will be looking around for where we might find more productivity and expertise. We will find it among people of an older age. That will be particularly easy with a more IT-tuned society and generation. In many cases, people will be able to contribute from home by taking on project, consultancy and other work. We need to think differently and with flexibility. We also need to change the laws to allow older people to continue to make a contribution if they so wish.

I have retired three times and I would like to retire three or four more times before I am finished. I look forward to retirement but I do not believe I will ever look forward to not working. I am not a workaholic either; I am a "playaholic" as much as I am anything else. One wants to be able to move on and do different things. I would like to be planning my next project the day they lower me down under. I could never see myself doing anything different. Even if I am sitting in a chair, I will want to be doing something. There are plenty of people like that. If there is a contribution to be made, we should let them make that contribution to the economy and gain from it.

Previous speakers and Senator Leyden, in particular, referred to nursing and retirement home support levels and so on. It is not a reflection on anybody or anything but every time one walks into a nursing home, there is a sense of loss. One wonders if people are getting the best care. That is nothing to do with the running of the homes but one wonders if people are making their fullest contribution. It is a great if they are but if they

are not, it is sad. We need to ensure people in nursing homes are constantly motivated, whether artistically or intellectually by way of discussions.

There are two elements to the State's support for nursing and retirement homes. It is not only a question of providing financial support to people who are living in such situations, which is hugely important, but in the same way as there is a curriculum in preschools and in primary schools, there should also be a curriculum in places where the elderly are institutionalised. In a democracy and a civilised society in which we talk about education from the cradle to the grave, that is not too much to ask.

The idea that education might stop at a particular point bears no resonance with reality. The truth is that we keep learning until the day we die. People may have ailments or disabilities which might stop that from happening but when we look at what is going on in various nursing homes and at how people are looked after, which is a matter of much debate at present, I would like us to look at the positive side of that. I would like to see a curriculum of activities, learning experiences and new experiences which would be available in those institutions.

Many speakers have made much more far-reaching and specific points on ageism but it is important to note that these benches ensured age was a ground for discrimination in the Employment Equality Act or the discrimination legislation. A long and positive discussion on ageism has been taking place in this House and I welcome this debate.

Mr. Hanafin: I commend my colleague, Senator White, on the publication of a new approach to ageing and ageism. It is a very professional and useful policy document which will continue to assist for many years ahead. There are many people who have reached a senior age and who continue to contribute hugely to society — for example, Nelson Mandela and, in our own country, Garrett FitzGerald, who is chancellor of the NUI, and Ken Whitaker who is still showing the way and leading an active life in his 90s. At a very senior age, the late Pope John Paul II had a schedule which would put the rest of us to shame. Those of us who attempt to work to the best of our ability could not hold a candle to his work schedule. In the past, we looked up to Ronald Reagan, David Ben-Gurion and Golda Meir. History and the Bible are full of references to people who have reached a senior age and have led the way.

I am sure we can all refer not only to work or leadership experiences but to family experiences. I was fortunate to be partly reared by a grandparent and an aunt. That contribution to rearing and educating children is often underestimated. It was a huge benefit to me to hear about the Troubles, the economic war, the depression, how Ireland survived during the Emergency and to grow up in the 1960s and 1970s. Every generation

[Mr. Hanafin.]

must redefine and admit the benefit of that. De Valera did so in his time when he spoke of the wisdom by the fireside.

We need the ageing population to actively work in the workplace. The demographics show we need people to go back to work. It is unfortunate to have to say we need people to go back to work because nobody should, by necessity, have to go back to work. However, it is good to be needed. The baby boom generation, which turned 60 this year, contains the largest number of people to voluntarily give up work in such a short time. It is far larger than the generation which will follow it or any which preceded it. It casts a shadow over the companies it is set to leave behind. Japan, for instance, expects its workforce to shrink by 16% over the next 25 years. Europe will see the number of workers nearing retirement grow by one quarter. Some companies are already complaining of a shortage of skills even before they have started to dole out carriage clocks and fountain pens.

As previous speakers stated, when people are at their most productive and have reached a stage where they have got an expertise and understanding of their workplace it does not make sense for them to be expected to retire. I support every effort to exclude ageism. Perhaps senior company employees who have reached the top of their scale could have an option to be retained on a consultancy basis or have their pay structure re-examined.

We must recognise the problems that exist and deal with them. I am certain that many older employees would jump at the chance to continue to work, as they have grown used to the lifestyle and, in many cases, have achieved a work-life balance. I consider it healthy for people to continue in paid employment for as long as they wish. Companies must adapt and legislation must be amended accordingly to ensure that we reform the policies and practices that constitute barriers to meaningful participation by older people.

We must eliminate disabling, negative images and stereotypes associated with retirement and older age and create an enabling environment to facilitate all older people to be involved in active ageing. We must have equality with due regard to difference. That does not require that everybody be treated exactly the same. It requires that there would be due regard to difference. It would not be appropriate to treat all older people in exactly the same way as younger people. A strategy for equality must respect differences and ensure that difference is not used unjustly to favour or to disadvantage people. The central question in this context is if there is a relevant difference. If that is the case then adjustments must be made to take account of and respect the difference.

We also need equality with due regard to diversity. We must recognise the diverse needs and aspirations of older people, including the needs and aspirations of groups within the older popu-

lation who suffer or have suffered multiple discrimination. This has been the experience of groups such as older women, older travellers and older members of other minority groups. We need full, legal equality. That is an essential condition for, but not sufficient to ensure, equality of treatment. Older people must have full equality before the law. That will require some changes. Full equality must be underpinned by adequate implementation measures so that the framework of rights is complete and sustainable. There must be full equality of opportunity, participation and outcome as appropriate for older people to be involved in all aspects of society.

Age should not in itself be a barrier to involvement. Equality must apply in all areas such as work, education, training, health, voluntary activities, social, cultural, sporting and artistic activities. In order to enable older people to fully participate in society, their rights and capacity to do so must be facilitated by appropriate provisions for consultation and involvement in decision making for older people and their organisations and by the provision of necessary support to enable those organisations.

We need an integration of policy and services. A successful strategy requires that policies and services for older people be operated in an integrated manner. This means that there must be coherence between, for example, income maintenance and community care policies and between employment policies and education-training policies. The overall policies must be enabling and facilitating and be responsive to age, gender, cultural and other diversity.

We require intergenerational solidarity. Policies and practices must ensure fairness between the generations and encourage and facilitate activities which span the generations. We need mainstreaming and age proofing. All policy and public investment decisions must be analysed to ensure they do not adversely impact on the current generation of older people or provide incentives to any age group to make decisions that may adversely affect them in older age. It is also necessary to ensure these decisions contribute to greater equality for older people. Accordingly, this means there must be a systematic analysis of all policies and investment decisions to ensure they promote equality for older people and that the planning and implementation processes must be imbued with the equality agenda at every stage.

Mainstreaming a focus on age equality will require the assessment of impact of policy and resource allocation decisions on older people alongside clear, equality objectives for older people, the participation of older people's organisations in the impact assessment process and the monitoring of outcomes for older people. There must be a coherent mobilisation of all legal, financial, and organisational capacities in order to ensure a balanced relationship between older people and the rest of society.

This mainstreaming and proofing will be part of a wider mainstreaming of equality and equality proofing. There should be an involvement of all sectors of society. All sectors, including the State, employers and non-governmental organisations have a role in ensuring full participation of and equality for older people. The respective roles of these actors must be devised and implemented in partnership with older people and their organisations.

When Benjamin Franklin remarked that, "All would live long, but none would be old", he could hardly have known how apt a description of today's pensioners this would turn out to be. They are fitter, healthier and more in tune with the times than any previous generation. They are determined not to allow their age to hold them back. For the lucky few, including many baby-boomers, the first of whom are turning 60 this year, this means spending their golden years trekking in the Himalayas, dune-bashing in Dubai and generally showing us the lazy, unadventurous bunch we really are. For those who wish to go back to work, that is the minimum opportunity we, as a Government, should allow them.

Minister of State at the Department of Justice, Equality and Law Reform (Mr. Fahey): I thank all of the speakers for their contribution to the debate. A number of interesting and stimulating ideas were put forward. More than anything else, the debate highlighted the great potential and positive contribution that can be made by older people.

There have been a number of significant developments, although I agree with speakers that there is room for improvement. For instance, there is no mandatory retirement age for civil servants who have been recruited after April 2004. We now have a number of important nationwide campaigns on the positive aspects of ageing and older people, such as the Say No to Ageism week and Age Action week.

The Department of Finance issued a statement to the effect that in making appointments to State boards the merits of a board's appointees and the desirability that they have the appropriate skills and experience for their appointments should be the main consideration and that the use of quotas to achieve age equality might not be consistent with this. The question of ageism does arise in regard to insurance in the case to which I referred. Liaison is now taking place between the HSE and the community and voluntary sector and much positive work has been achieved in this area. We would not be in favour of the statutory provision of funding for services for older people. Funding for community services is a priority in the budgets of various Departments and that is the way it should continue.

A number of Senators made positive suggestions. Older people have an enormous contribution to make to society. We will take on board the good examples given to us during the debate.

Senator Maurice Hayes is a good example of a man making a wonderful contribution to many aspects of Irish life. I asked my colleagues about how old the Senator is, but it is probably not fair to do so.

Ms White: He was 79 years old this year.

Mr. Fahey: God bless him and save him if he is 79 years old. It is wonderful to see a man make such a significant contribution to politics, journalism and many other aspects of Irish life. As Senator White has said, Senator Maurice Hayes is a great example to people the length and breadth of the country of the types of contribution that can be made irrespective of age. He is probably the perfect example to us all to encourage older people to be active and involved. That a person has reached what used to be regarded as the retirement age is irrelevant.

The debate will help to further the issue of being positive concerning ageism and remaining active. It is significant that Ireland has an active retirement age group that is growing and does considerable work across the spectrum. When meeting groups that are actively engaged in all types of activity, including social, sporting and community activities, it is clear that they benefit from participation. For older people living in isolated communities or areas where they would not have much contact, the health benefits of such groups are significant.

Senator O'Toole's statement regarding how other countries' attitudes to older people and their contributions are different to our attitudes is relevant. The most important change we must make is an attitude change. I do not mind mentioning that a county development officer who has probably been one of Galway's finest public servants is being forced to retire by the Department of Enterprise, Trade and Employment despite the recommendations of the his board of directors. He wants to continue for another two years.

Ms White: Hear, hear.

Mr. Fahey: If the Government is serious about giving opportunities to people who want to continue working, Mr. Charles Lynch, the Galway county development officer, is a good example. If we highlight a number of the issues and cut out some of the bureaucracy telling us to follow old rules and regulations, it will be a positive step forward.

Today's debate has been good and I compliment Senator White for raising the matter. I thank the Senators who have contributed to the discussion. The Department will take on board the issues that have been raised, which will add considerably to the debate.

Acting Chairman (Mr. Leyden): On behalf of the House, I thank the Minister of State for staying for the full debate.

Europol (Amendment) Bill 2006: Committee and Remaining Stages.

Sections 1 to 5, inclusive, agreed to.

Title agreed to.

Bill reported without amendment and received for final consideration.

Question proposed: "That the Bill do now pass."

Minister of State at the Department of Justice, Equality and Law Reform (Mr. Fahey): I thank all the Senators for their contributions and the interest they have shown in the issues addressed by the Bill. While this is a short Bill, it concerns the important matter of increasing co-operation between EU member states for purposes of preventing and combating serious crime in areas such as drug trafficking, money laundering and the trafficking of human beings. The Europol Convention and two earlier protocols in 1996 and 1997 were given force of law in this jurisdiction by the Europol Act 1997. On the passing of this Bill into law, the three protocols which are the subject of this Bill will become Schedules to the Europol Act 1997 and Ireland can then, subject to Government approval, ratify them.

The objective of the Bill is to facilitate Ireland's ratification of three additional protocols to the 1995 Europol Convention. The effect of the protocols is to extend the competence of Europol in the area of money-laundering, as well as clarifying certain issues on joint investigation teams, and streamlining certain aspects of the internal working of Europol.

Our fight against organised crime and terrorism internationally is closely linked to the increasing effectiveness of Europol in fulfilling its mandate. The effective functioning of Europol greatly increases the potential of EU member states to prioritise crime analysis, policy advice and law enforcement.

There is a debate among member states as to the future direction of Europol. The general consensus at present is that it must be allowed to continue to grow within its current framework. Ireland will continue to play its role and to this end, the ratification of the three protocols which are the subject of the Bill is important.

I thank Senators for their interest in the Bill and their earlier constructive contributions to the Bill. I am grateful to Senators who have indicated their interest in seeing that this process is brought to a speedy conclusion. I also thank the Department officials who have put much work into ensuring that this Bill accords with the wishes of both Houses of the Oireachtas. We have put

good, important legislation through the House today.

Mr. Cummins: I welcome the Minister of State to the House and say how pleased we are that this Bill has passed all Stages. I compliment his officials on their work also.

It brings into effect the three Schedules. These, effectively, are additional Schedules dealing with terrorism measures etc., which we fully support. On Second Stage a point I made, which was echoed by Senator Quinn, was that these protocols are six, four and three years old, respectively, and a better mechanism than the current one must be put in place to speed up the process of ratifying such protocols. The Minister, Deputy McDowell, stated on Second Stage that he would look at whether it is necessary to include them as Bills, as in this case, or whether it can be done in another way. I hope we have learned and improve the time of passage of similar protocols in the future.

These protocols will assist in our fight against terrorism. My party fully supports the Bill and commends the Minister of State and his officials on its passage.

Mr. Hanafin: I welcome of Minister of State and thank him and his officials. This is an important Bill. The reality of money-laundering today and the capacity to move funds instantaneously across borders and continents means that we need to keep up to date. We need to ensure that the police authorities throughout Europe possess the necessary facilities and legal framework within which to work, including the data. Only yesterday we saw a stark reminder of what can happen when we heard that an aeroplane crashed into a building in New York. If nothing else, it reminded us of terrorism today and the need to be ever vigilant. I commend and thank the Minister of State.

Ms Tuffy: I do not have anything to add, except to thank the Minister of State and his staff for their work on the Bill.

Question put and agreed to.

International Criminal Court Bill 2003: Report and Final Stages.

Acting Chairman (Mr. Dardis): I remind Senators that all amendments on Report Stage must be seconded and only the proposer may reply. Each person, other than the proposer, may speak only once. Amendments Nos. 1 to 3, inclusive, are related and may be discussed together by agreement.

Mr. Cummins: I move amendment No. 1:

In page 8, line 30, before "choses" to insert "any".

These three amendments of a technical nature were tabled on Committee Stage. They were designed to introduce an element of consistency into the definition section of the Bill. The Minister, Deputy McDowell, stated he would have a look at the matter. We believe that these are proper amendments which would improve the Bill technically. I am disappointed that similar amendments are not proposed by the Minister of State, but I would like to hear what he has to say on it at this stage.

Ms Tuffy: I second the amendment.

Minister of State at the Department of Justice, Equality and Law Reform (Mr. Fahey): The Tánaiste and Minister for Justice, Equality and Law Reform, Deputy McDowell, stated he would look at this again. While I appreciate that Senator Cummins is attempting to achieve consistency, the advice of the Parliamentary Counsel is that these amendments would create an inconsistency in the drafting of the section as a whole. He has not, in the preceding lines 28 and 29, referred to any money or any other personal property.

The Parliamentary Counsel was consulted on the matter since the conclusion of Committee Stage, but the consensus is that the acceptance of the amendments would create an inconsistency in the drafting of the section as a whole. It is, therefore, preferable to leave the position as it stands and to retain the Parliamentary Counsel's consistent approach.

Amendment, by leave, withdrawn.

Amendments Nos. 2 and 3 not moved.

Mr. Cummins: I move amendment No. 4:

In page 21, line 2, to delete "*ne bis in idem*," and substitute the following:

"*ne bis in idem*¹,"

¹*autrefois acquit*, *autrefois* convict or double jeopardy.

This is a point I made on Committee Stage. The Minister of State will be aware that "*ne bis in idem*" is a Latin phrase meaning "not twice for the same". On Committee Stage I made the point that we commonly refer to *ne bis in idem* as *autrefois acquit* or *autrefois* convict depending on the circumstances, and most laymen would know it as double jeopardy. It is a legal principle that has been well established in Irish law for a considerable time.

As far as I am aware, there is no mention anywhere in Irish law of the doctrine of "*ne bis in idem*", either in statute or in case law, as this comes to us from civil law and yet it appears here in section 25 of the Bill. I assume that this is the case because there is an effort to mimic the terms used in Articles 20 and 89 of the Statute of Rome, and this is not unreasonable. However, I must ask if it is wise for this term to enter our Statute Book

out of the blue without any definition of what it means and how it should be applied.

In this respect, a simple footnote in the Bill offering alternative terms for what is effectively the same doctrine would help to place the term, especially since this Bill will operate in a common law jurisdiction. Failing that, as I mentioned on Committee Stage, the Minister needs to make an amendment — I thought such an amendment would be tabled here — to define the term "*ne bis in idem*" in the Bill.

The Tánaiste and Minister for Justice, Equality and Law Reform, Deputy McDowell, mentioned he would look at this amendment, felt it was a good one and stated that if it was necessary to define the term, he would do so in the Bill. I am surprised that such a Government amendment is not forthcoming here and I would be interested to hear what the Minister of State has to say on the matter.

Ms Tuffy: I second the amendment.

Mr. Fahey: Senator Cummins proposed the amendment on Committee Stage, as he stated, and the Tánaiste referred to the difficulties which might arise with the legal interpretation of footnotes in the event of a challenge to the provision in question. The Parliamentary Counsel recommends, therefore, that the generally accepted practice of not accepting amendments that include explanatory footnotes, be adhered to. The application of the principle of *ne bis in idem* relating to persons who may be tried for crimes under Articles 6,7 or 8 of the Statute of Rome and may subsequently be convicted or acquitted is set out clearly and concisely in Article 20 of the Statute of Rome. The statute in its entirety is attached as a Schedule to this Bill. In addition, section 3 specifically provides for judicial notice to be taken of the statute. It is important that we stick to the wording of the Statute of Rome, the international instrument on which the Bill is based.

It should also be borne in mind that in interpreting the Act and the Statute of Rome, section 3 states a court may, among other things, consider the *travaux préparatoires*, in effect the explanatory memoranda, relating to the provisions of the Statute of Rome and to give them the weight the court may consider appropriate. It is unlikely, therefore, that in the event of an interpretation of the term, *ne bis in idem*, arising, there will be any doubt as to the meaning of the term as set out in Article 20 of the statute. Consequently, I cannot accept the amendment.

Mr. Cummins: I am concerned that the term, *ne bis in idem*, could be challenged because it is not on the Statute Book. I am not satisfied with the Minister of State's explanation. It may be correct but I am still not satisfied, based on the advice I received.

Mr. Fahey: I can add nothing more.

Amendment put and declared lost.

Ms Tuffy: I move amendment No. 5:

In page 25, line 32, after “State” to insert the following:

“, or for the service of the person’s sentence, or balance of the person’s sentence, outside the State.”.

The amendment is designed to avoid a shuttlecock situation whereby a person who is liable to a sentence in Ireland is surrendered on the basis that, following the processing of that person in another country, he or she will then be returned to Ireland to serve the balance of the sentence. We are suggesting that, with the consent of the person, arrangements could be made to serve all sentences together. We have reworded the amendment to make clear that only arrangements agreed with the International Criminal Court, ICC, or state of enforcement are permissible. Has the Minister of State considered this further?

Mr. Cummins: I second the amendment.

Mr. Fahey: Section 35 applies to a person who is already serving a sentence of imprisonment or detention in the State and is also subject to a surrender order pursuant to a request from the International Criminal Court. Provision is made that the order may include conditions in respect of the return of the person concerned into the custody of the State following the completion of the ICC proceedings. For instance, it provides that any such imprisonment will be subject to the supervision of the ICC and the court may, at any time, decide to transfer a sentenced person to a prison of another state. The Rome Statute does not address the enforcement of any domestic sentence which a person is liable to serve. It would, perhaps, be an undue interference with the provisions of the statute to include in this Bill consideration of a domestically applied custodial sentence among the responsibilities of the ICC. For these reasons, I do not propose to accept the amendment.

Amendment, by leave, withdrawn.

Ms Tuffy: I move amendment No. 6:

In page 31, line 38, after “may,” to insert the following:

“if it appears to the Court that the sum or any part of it is a sum which might be realised by the person to whom the order is directed.”.

This important amendment relates to the issue of the circumstances in which a person may be imprisoned for failure to pay a fine. There are strong international legal prohibitions against the

imprisonment of individuals for inability to pay monetary sums.

This section is taken and adapted from the Criminal Justice Act 1994 which relates to imprisonment for failure to pay confiscation orders made following convictions for drug trafficking offences. However, the critical feature of the imprisonment system under the Criminal Justice Act 1994 is that a confiscation order may be made only for such amount as the court thinks might be realised, as opposed to the total profit from the drug trafficking. For example, where a person makes a profit of €10,000 from drug trafficking but spends €5,000 on drugs for his own consumption and is left with only €5,000 in cash or in realisable assets, the Circuit Court can only make a confiscation order for the €5,000 which is capable of being realised. In other words, under the Criminal Justice Act 1994, a person is not liable to be imprisoned for failure to comply with a confiscation order in circumstances where the person is unable to comply with it because he or she has spent the money.

There should, therefore, be no question under the Criminal Justice Act of imprisonment because of inability to pay. However, this safeguard is conspicuous by its absence from section 40 of this legislation. Under section 40(9), the High Court is being empowered to order a person to pay the full amount of an ICC order with imprisonment for up to ten years in default. This is objectionable in principle and constitutionally and, accordingly, we suggest the insertion of a qualifier that the amount would have to be an amount which the court considers could be realised. We have reworded the amendment following Committee Stage to make clearer that the court must be satisfied that the sum can be realised so that, in other words, the person will not be imprisoned for mere inability to pay

Mr. Cummins: I second the amendment.

Mr. Fahey: This amendment relates to section 40(9) which provides that if at any time after the making of the enforcement order it is reported to the High Court that any sum payable under the ICC order remains unpaid, the court may order the imprisonment of the person to whom the ICC order relates. The amendment is similar in intent to an amendment dealt with on Committee Stage in that the purpose is to ensure the provision will only apply in cases of sums payable under the ICC order, which appear to the High Court to be a sum which might be realised by the person to whom the order is directed.

As the Minister stated on Committee Stage, the amendment is unnecessary. Section 40(10) provides that no order under section 40(9) can be made unless the person to whom the ICC order relates has been given a reasonable opportunity to make representations to the court, and, therefore, the person is given the opportunity, if required, to outline to the court any facts which

might affect his or her ability to pay a sum payable under an ICC order. Section 40(9) is modelled on section 19(3) of the Criminal Justice Act 1994, which deals with the general enforcement of confiscation orders and it is sufficiently flexible to deal with such issues.

Amendment, by leave, withdrawn.

Government amendment No. 7:

In page 150, line 20, to delete “Geneva” and substitute “Scheduled”.

Mr. Fahey: The purpose of the amendment is to correct a typographical error in Schedule 3 to the Bill relating to a reference to section 3 of the Geneva Conventions Act 1962, as amended by section 3 of the Geneva Conventions (Amendment) Act 1998. It is a technical amendment.

Amendment agreed to.

Bill reported with amendment and received for final consideration.

Question proposed: “That the Bill do now pass”.

Mr. Hanafin: I thank the Minister of State and his officials. It is worth recalling the savage and brutal events that led to the creation of the International Criminal Court. Conflict among nations has resulted in great loss of life and destruction. In an effort to afford justice to the victims of this devastation, *ad hoc* tribunals have been established to ensure legal responsibility. It is not least where power is greatest. The trials of the last century, Nuremberg, Tokyo, the former Yugoslavia and Rwanda, are testament to the efforts to stop violations of international human rights and to protect the most innocent and vulnerable victims of such attacks.

The International Criminal Court is a new departure in this struggle. Unlike previous tribunals, it is the first court to be established on a permanent international basis and it will be the first to be in existence before a conflict breaks out. This permanency should ensure a proactive rather than a reactive response to such atrocities in future. It will also let those who intend to perpetrate atrocities know — as we speak a serious situation exists in Darfur — that they will be brought to account sooner or later.

Mr. Cummins: I commend the Minister of State on bringing the Bill to the House. As he is aware, my party has long been a supporter of the establishment of an international criminal court. We have espoused such a body since the issue was agreed in Rome. The establishment of the International Criminal Court is the most important development in international law since the founding of the United Nations.

Fine Gael tabled a number of amendments on Committee Stage, one of which related to the issue of war crimes. Ireland has a moral responsibility to see that the most heinous crimes do not go unpunished. We have already lived up to our moral responsibility with regard to torture and war crimes, but we must also meet the moral responsibility with regard to genocide and crimes against humanity. I am disappointed we did not seize the opportunity to include those crimes and act on them while introducing the Bill. However, we welcome its passage. While I am disappointed that some of our amendments were not accepted, we support the establishment of the International Criminal Court, which will be of tremendous benefit to all nations of the world. I commend the passage of the Bill.

Dr. Henry: I am glad to have the Bill passed and congratulate the Minister on bringing it before the House. Like Senator Cummins, I wish we had gone further in the area of genocide in particular. I hope this will follow as soon as possible.

I was particularly grateful to the Minister for accepting my two amendments on Committee Stage, especially the amendment regarding the removal of finger nails, even by a medical practitioner. I would hate to see torture instituted in the Bill and the removal of finger nails is usually considered such. I wish the Bill success in the courts. I hope we will not need it often and can revisit it if required, as Senator Cummins stated.

Ms Tuffy: I support the Bill and thank the Minister, the Minister of State and their staff for their work on the issue. I welcome the Minister’s acceptance of some of the points the Labour Party raised in its amendments, including those on Committee Stage, although he did not necessarily accept the points we made in other areas. This area needs to be monitored to ensure that the legislation will be amended if necessary.

Mr. Moylan: I thank the Minister of State and his officials for bringing this important Bill through the House. I express my thanks to the Opposition parties for their help in ensuring the Bill had a speedy passage.

Minister of State at the Department of Justice, Equality and Law Reform (Mr. Fahey): I thank the Senators for their contribution on this important Bill. As Senator Hanafin stated, it is the result of significant events in recent history. It is good for this country that we are now up to speed and have the legislation to deal with these issues.

Question put and agreed to.

Acting Chairman (Mr. Dardis): When is it proposed to sit again?

Mr. Moylan: At 2.30 p.m. on Wednesday, 18 October 2006.

Adjournment Matters.

Schools Building Programme.

Ms Tuffy: This matter, which I have raised previously, concerns the need for new accommodation for St. Andrew's national school in Lucan. The Department of Education and Science accepts the school needs a new school building because the present building is not suitable. It is old, has limited capacity for increasing accommodation and is not an appropriate site for expansion. When I raised the issue previously, the Minister seemed to accept the need for new accommodation but progress is slow, despite the fact the OPW advertised for sites before the summer. Has there been further progress?

Minister of State at the Department of Justice, Equality and Law Reform (Mr. Fahey): I thank the Senator for raising this matter as it provides the opportunity to outline the position of the Department of Education and Science regarding the proposed school building for St. Andrew's national school in Lucan. The Department has always acknowledged the need for a replacement building to meet the future needs of St. Andrew's. As it has been established that the present site is unsuitable for this development, a suitable site must be identified and acquired.

The fact that the school is located in a mature part of Lucan complicates the identification of a site, particularly given the school's desire to remain in close proximity to its church. Previously, the school authority undertook to carry out its own negotiations to acquire a site and to submit its proposals to the Department. However, these proposals did not subsequently materialise and the Department recently took over the task of site identification. This resulted in its requesting the property management section of the Office of Public Works, which acts on behalf of the Department in regard to site acquisitions generally, to explore the possibility of acquiring a site for the school.

I am pleased to inform the Senator that a number of site proposals were received by the OPW under normal advertising procedures. A technical assessment has been carried out on all these sites and the OPW is currently awaiting the site reports. When a suitable site has been secured, the project will then be considered for progress in the context of the school building and modernisation programme from 2007 onwards.

Equality Issues.

Ms Terry: I welcome the Minister of State. I raise this issue so that I can learn from the reply. It arises in response to the European Court of

Justice's ruling this week that women can be paid less than men on the basis of length of service in a firm, even if they must take time off to bring up children. They also found that length of service is a legitimate criteria by which to award higher pay rates to certain workers.

My initial reaction to the ruling may be wrong — I have been told I may have misinterpreted it. I feel it discriminates against women who take time off to have children. As I stated in the House recently, we have worked hard over the years to improve maternity leave and parental leave for mothers and fathers who wish to take time off to be with their children. This decision will discriminate against mothers or fathers who take time off.

I accept that if a mother chooses to take leave of absence, perhaps for five years, that period minus the legitimate maternity leave to which she is entitled should not be taken into consideration when awarding pay, particularly when this depends on length of service. I am confused in this regard. I have always believed that the principle of equal pay for equal work helped to remove discrimination against women in the workplace. The fact that one has spent a long period working in a job does not necessarily mean that one has gained great experience. I heard recently of a young teacher with very little experience who was able to carry out the duties required when a promotion was offered. The promotion involved additional pay for doing certain jobs after school hours. However, the young teacher did not get the job, while an older teacher did. It was thought that based on length of service he or she was more entitled to it, even though the younger teacher had been doing the work.

I hope the Minister of State will be able to explain to me in plain English the impact of this ruling on Irish workers, particularly women. It should be clarified so that I will understand it and be able to interpret the ruling correctly when we have a debate on this matter in the House.

Mr. Fahey: The real issue behind this court case is the gender pay gap. More than 30 years after the introduction of equal pay legislation, a significant gap between the average pay of men and women remains, not just in Ireland but throughout the European Union. Women in the EU earn 15% less than men and progress has been slow in closing the gender pay gap with men, according to a recent European Commission report.

Twenty years ago, the gender pay gap in Ireland was about 25%, while ten years ago it was still over 20%. The latest statistics show that the gender pay gap is still around 12 to 13%. While significant progress has been made, it remains a cause for concern in an age which fully endorses gender equality.

The Government believes that a multifaceted approach is required to address this complex issue. This is the approach we have taken with a good degree of success, although research has

presented us with new challenges. In 2003, Irish research on solutions to the gender pay gap found that increased labour market participation by women was important. It found that while the arrival of children in the family had little impact on the labour market participation of a man, a woman with identical qualifications and experience would typically have nine years less labour market participation by the age of 47.

These findings led to a series of policy recommendations by a working group, the most important of which were that the Government should continue to develop child care services; that the national minimum wage should be reviewed regularly; and that there is a need for better maternity and parental leave. We have made considerable progress on these key recommendations which has, no doubt, contributed to the reduction in our gender pay gap to just over 12%.

In the year 2000, Ireland was far behind the rest of Europe in the development of child care services. However, as the House will be aware, we have made up on that considerably. Over 41,000 new centre-based child care places have been created in the past seven years.

The issue of affordability of child care is a key topic. All parents in Ireland are assisted with the costs of caring for their children through significant increases in child benefit which is now a minimum of €150 per child under 18 years of age per month. We have recently added a special annual payment of €1,000 for each child aged under six years of age. We have also increased paid and unpaid maternity leave to a similar extent. This development has also been complemented by parental, adoptive and carer's leave. It is a major support for women in the labour force who have child care and/or other responsibilities.

Research such as this shows that the gender pay gap is every bit as complicated as we all believe. If we are to bring it right down to parity, policy makers and social partners need to look at the many different influences through education policy, employment practices, social supports and career development. We also need to find a multifaceted response which will enable us to achieve the goal of parity.

The Department of Justice, Equality and Law Reform is in contact with the Office of the Attorney General and the Department of Finance about the implications of the judgment of the European Court of Justice in the *Cadman* case. It is too early to say what the full implications of the case are. However, a preliminary assessment indicates that the judgment does not represent a major change to the case law as was understood up to now. The European Court of Justice has characterised the judgment as containing only a clarification of the case law in this field.

Mental Health Legislation.

Dr. Henry: I welcome the Minister of State to the House. Yesterday we discussed the latest appearance of Ireland before the committee monitoring the United Nations Convention on the Rights of the Child. While we agreed that progress had been made as regards the rights of children in this country, there were large gaps.

There are large gaps regarding the treatment of children in the area of mental health. For the first time, section 25 of the Mental Health Act 2001 allows for the involuntary detention of children. While the consent of the child's parents is considered to be very important, if consent is not given, a social worker or another official may apply to the courts, on an *ex parte* basis, to have a child admitted to an approved centre. The problem is that in some areas we have no approved centres for the detention of such children. Those who have to accept them from the courts into a centre could, in fact, be sued for taking them into an unsuitable place under sections 63 and 64 of the Act, which define approved centres.

Figures provided to me on in-patient places indicate that they vary from 20 to 35 in the whole country — some in Dublin and some in the west — for children who are so seriously mentally ill that they need to be admitted. We have no notion of the number of child patients who may need admission because mental illness is not included on in-patient waiting lists. We have a serious problem in that, from 1 July, professionals in this field could be before the courts because they do not have adequate facilities in which to treat these children. A considerable number of children who are admitted are older children. That is because psychosis and schizophrenia are more likely to occur in teenagers than in children under 12. Currently, 16 to 18 year old are *de facto* treated in adult services even though that is considered to be entirely unsuitable. For example, the Mental Health Commission is bringing forward regulations whereby staff working in these services for children who have to be admitted should be screened under the children first regulations. I do not know how that is going to happen, however. It is recommended that they should be seen by adolescent or child psychiatrists but these people may not be working in the centres to which the children are admitted.

Even if two, three or four beds are segregated within an adult unit, it is most unlikely that there will be proper play facilities for young children or educational facilities. Many of them will be admitted for serious reasons, particularly for attempted suicide or because they are considered to be suicide risks. These children are badly in need of treatment, yet as far as I can see we have made no effort in recent years to do anything about this issue, even though it was known that it was coming down the line. It is recommended they should be cared for in separate areas or, if

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not, in well segregated areas in psychiatric institutions because otherwise it is considered they will not be properly treated.

There is also a shortage of psychologists and other personnel in the service to deal with these children. Even if we have the facilities, the shortage of staff is woeful. It is reckoned that 120 places are needed. With early treatment being much more preferable in treating those suffering from mental illness, it is sad we have allowed this situation, to which we should have been alert, develop because it has been pointed out for a long time. I would be glad to hear from the Minister of State how it is proposed to deal with the issue in a timeframe of fewer than three weeks.

Mr. Fahey: I thank Senator Henry for raising this matter on the Adjournment. I assure the House that work continues towards ensuring that appropriate child and adolescent psychiatric inpatient services are put in place without delay. In addition, I assure the Senator that it is not anticipated that the Mental Health Act 2001 will lead to individuals being brought before the courts in the circumstances she outlined.

As the Senator said, the full provisions of the Mental Health Act 2001 will come into force from 1 November. This is significant legislation which replaces the outdated 1945 legislation that currently governs involuntary detentions of people suffering from mental disorders.

The Department of Health and Children, the Health Service Executive and the Mental Health Commission have been working together to ensure the successful implementation of the Act. It defines a child as anyone under the age of 18, bringing mental health law in line with other legislation. A very small number of children require involuntary admission due to mental illness. However, we have an obligation to provide the highest standards of care and treatment to this vulnerable group.

It is accepted that additional beds for the treatment of children are needed. This was outlined in a Vision for Change and these required facilities will be delivered within the capital programme of the HSE. In the meantime, children and adolescents requiring inpatient treatment, both voluntarily and involuntarily, will continue to be admitted to adult units when necessary. Recognising this interim situation, the Mental Health Commission has prepared a draft code of practice on the treatment of children in adult facilities.

The HSE established a working group on child and adolescent mental health services. The group consisted of representatives from the Irish College of Psychiatrists, the Irish Hospital Consultants Association, the Irish Medical Organisation, senior HSE managers and practitioners. The group explored options capable of creating immediate additional capacity for the regional provision of inpatient facilities for those children and adolescents who require involuntary admission under section 25 of the Mental Health Act 2001. The group's report has been adopted by the HSE.

The report proposes how services can best be delivered in an integrated and holistic way and has identified additional inpatient bed capacity for children and adolescents. Each HSE region will identify three or four beds in adult units for the treatment of children and adolescents on an interim basis pending the provision of dedicated units. Each unit will be supported by a consultant-led child and adolescent multidisciplinary team. Staff in these units will receive additional training and appropriate clearance.

Eight additional consultant-led child and adolescent psychiatric teams per year will be established nationally for the next four years to enhance community and inpatient services. This year the HSE has allocated an additional €3.25 million for this purpose and recruitment is under way.

As the Minister for Health and Children has previously stated, it is not acceptable for children and adolescents to be treated in adult units. However, the Mental Health Act 2001 does not prevent the treatment of children in approved adult facilities. Therefore, the question of somebody being brought before the courts and subjected to a custodial sentence or a fine does not arise.

I am sure the House will agree that the full implementation of the Act from 1 November next is to be welcomed as this will provide without any further delay much needed protection to all adults and children who are involuntarily detained. I take on board the points made by the Senator and I will convey them to the Minister for Health and Children.

Dr. Henry: I thank the Minister of State for his reply and additional remarks. I am afraid the position is as bad as I thought.

The Seanad adjourned at 4.45 p.m. until 2.30 p.m. on Wednesday, 18 October 2006.