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DÍOSPÓIREACHTAÍ PARLAIMINTE  
PARLIAMENTARY DEBATES

# SEANAD ÉIREANN

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

*Tuesday, 8 July 2008.*

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# SEANAD ÉIREANN

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*Dé Máirt, 8 Iúil 2008.*

*Tuesday, 8 July 2008.*

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Chuaigh an Cathaoirleach i gceannas ar 2.30 p.m.

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*Paidir.*

*Prayer.*

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## **Business of Seanad.**

**An Cathaoirleach:** I have notice from Senator Dan Boyle that, on the motion for the Adjournment of the House today, he proposes to raise the following matter:

The need for the Minister for Health and Children to indicate if she is satisfied that the current policies on the investigation of deaths in hospital through negligence are adequate.

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

The need for the Minister for Health and Children to confirm that commitments made by current and previous Ministers for Health and Children will be honoured and that Roscommon County Hospital will continue to provide full consultant-led accident and emergency services on a 24 hours a day, seven days a week basis, and on-site acute medical, psychiatric and surgical services, including coronary care.

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

The need for the Minister for Justice, Equality and Law Reform to outline his views on the proposed liberalising of the gambling and gaming laws.

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

The need for the Minister for Justice, Equality and Law Reform to outline the interventions being used to reduce youth anti-social offending or re-offending in areas where there are no juvenile diversion programmes in place.

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

The need for the Minister for Health and Children to address the situation in Letterkenny General Hospital where, due to budget constraints, the hospital will close one of its 20-bed wards and to indicate if she believes this will adversely affect patient care.

I regard the matters raised by the Senators as suitable for discussion on the Adjournment. I have selected the matters raised by Senators Dan Boyle, Terry Leyden and Nicky McFadden and they will be taken at the conclusion of business. The remaining Senators may give notice on another day of the matters they wish to raise.

### Order of Business.

**Senator Dan Boyle:** The Order of Business is No. 1, statements on housing. It is proposed that No. 1 will be taken at the conclusion of the Order of Business to conclude not later than 5.45 p.m. Spokespersons may speak for ten minutes, all other Senators for eight minutes and Senators may share time with the agreement of the House. The Minister will be called ten minutes before the end of the debate for concluding comments and to take questions from spokespersons.

**Senator Frances Fitzgerald:** News on the economy continues to be very distressing, particularly for families whose homes are being repossessed. Yesterday we heard that the number is increasing weekly, as are the unemployment figures. Today the Taoiseach and the Minister for Finance will unveil cutbacks apparently amounting to €450 million, although we await the figures. The Taoiseach bears a heavy responsibility for his time as Minister for Finance when his inflationary budgets killed competitiveness and the huge increases in day to day spending were financed by unsustainable property taxes. During his time as Minister there was stalled public sector reform and value for money principles were abandoned. The public will now pay the price for this when it hears today from the Government how it proposes to tackle the problem.

It is appropriate that I propose an amendment to the Order of Business, that in view of the rising numbers of unemployed and the front line stress being caused to people, the Tánaiste and Minister for Enterprise, Trade and Employment should come to the House to discuss the situation. We are seeing cutbacks already, particularly in the health service. I propose my amendment so that we can discuss these issues today. We need to hear the views of all Senators on the situation. Fine Gael launched its economic analysis and action plan last week, Recovery Through Reform, which I recommend to Senators. It outlines clearly the issues that need to be tackled by the Government, issues the Taoiseach failed to tackle during his period as Minister for Finance.

I take the opportunity, with Senator Boyle here as Deputy Leader, to raise two issues of environmental concern. First, we are the only country that has not signed up to the Aarhus Convention. It would be of assistance to residents concerned about the toxic waste at Haulbowline in Cork, if this convention was signed by the Government. It is extraordinary that we have two Green Party Ministers, yet we are the only EU state not to ratify the convention. What is the Government approach on this?

I have another concern with regard to the situation at Haulbowline in Cork and am very interested in hearing Senator Boyle's response to it. My concern is that the Government is threatening legal action against an environmental consultant who is trying to alert the public to the risk posed at Haulbowline. We have talked often about whistleblower's legislation, yet it appears that this man has been warned not to release any documentation on work he did for the Department of the Environment, Heritage and Local Government relating to the island. What approach are the Green Party and its Minister for the Environment, Heritage and Local Government taking to this, given that the Government appears to be threatening a whistleblower with legal action for trying to raise environmental concerns?

I hope the Deputy Leader will address this question. Many people see this man as doing a public duty by trying to get information into the public arena. Perhaps the reports are wrong on this and if they are, perhaps Senator Boyle can inform the House on the issue. It is important for the House to have accurate information on the issue.

**Senator Feargal Quinn:** It feels a little like the end of school term today. I am not going to call for a discussion on the economy because we will have the opportunity to do that tomorrow. However, like at the end of school term, we should give ourselves some homework to do. This should apply no matter who we are, whether Members of the House, civil servants of Departments or Ministers or citizens.

One of the major topics of discussion at the G8 meeting currently taking place in Japan is the question of food shortages around the world. Some 20% of the world's population consumes 80% of the world's food. I have just come from a meeting of the Joint Oireachtas Committee on European Affairs where we heard from both Oxfam and Trócaire, who talked about the significant problems that exist. Although I do not intend to talk about the economy today, I hope that when we consider the savings we will make, we do not drop the ball with regard to the target we have set for ourselves of trying to reach 0.7% of GDP for developing aid before 2012. We must ensure we do not drop it, as we are not really achieving what we set out to do in that area.

Another area of concern is the amount of waste food that exists. The figures published in Britain yesterday suggest that 6.7 million tonnes of food are thrown away every day by households. I gather if one adds what those nasty supermarkets do, the amount of waste is huge. I inquired from Repak whether it could supply figures in respect of Ireland and, while it could not supply the exact data, it indicated that the proportionate amount of waste would be 337,000 tonnes. I am not sure how we achieve that but it is apparently almost one third of everything we buy in supermarkets. This is a matter which we as a nation can address by saving the food we currently waste and buying only what we need to consume.

Last week, the Joint Committee on Agriculture, Fisheries and Food heard an interesting presentation from the professor of genetics at Trinity College Dublin, who spoke about using science to produce better food. I know that talk of genetically modified organisms sends shivers up people's backs but let us keep an open mind on what we can do, both as individual citizens and collectively as a nation, to increase the production of food globally. We need to avoid taking our eyes off the ball, particularly in regard to encouraging the G8 to meet the targets they have set. It is possible for us to achieve much more.

The other figure which frightened us is the increase in world population from its current 6 billion to 8 billion by 2025. We may not be able to produce sufficient food for that population if we do not do something about it. At present, one person in the world dies from hunger every minute. If that is happening now and matters could become worse in the future, we should do everything we can as individuals and as nations to solve the problem.

**Senator Phil Prendergast:** It was stated in a recent newspaper report that taxpayers are paying up to €4 million per week to keep in hospital patients who are fit for discharge. More than 700 patients each week are forced to remain in hospital because the follow-up services they require are either not in place or have limited availability. The report referred to these people as "bed-blockers", a term which I find offensive because, as service users, they have no control over the duration of their hospital stay. The Department of Health and Children has repeatedly promised to increase the number of nursing home beds to cater for those who need convalescent care prior to discharge. It appears the number of people taking up acute beds unnecessarily has increased in the past year.

I am concerned about two aspects of this issue. It is well documented that minimising hospital stays can reduce the incidence of MRSA and *Clostridium difficile*. It is essential that patients are in hospital for acute reasons that require hands-on care and immediate and active treatment, followed by which they should be discharged as quickly as possible for the benefit of all.

[Senator Phil Prendergast.]

The availability of non-invasive and supportive services would have a significant impact on the management of these patients. These services could be provided by health care professionals, such as GPs, community physiotherapists and public health nurses. It should not be necessary for a patient to remain in hospital for treatments such as wound dressing or physiotherapy where these can be offered in the community.

When services go through cutbacks or restructuring, we should take cognisance of the reasons people might be in hospital and the impact this has on costs. It is estimated that an acute hospital bed costs almost €1,700 per week, which is approximately six times the cost of keeping a patient in a nursing home. Not everybody requires nursing home care or can be immediately discharged from an acute hospital setting. We need to reconsider how the HSE supplies services and I hope we can help to formulate a meaningful policy when we hold our debate on this issue.

**An Cathaoirleach:** Before I call the next speaker, I welcome to the House the former Member of Dáil and Seanad Éireann, Mr. Pat Gallagher, and his wife and family, who are in the Public Gallery. Mr. Gallagher has left this House for greener pastures.

**Senator Cecilia Keaveney:** I wish to raise two issues one of which relates to the food surplus, as raised by Senator Quinn. I acknowledge the EU initiative regarding the distribution of fruit to all primary schools and the value of this initiative in the context of the continuing growth of obesity levels in young children.

While it is too late at this stage to ask for a debate on this matter perhaps the Deputy Leader could seek from the Minister for Health and Children an information note on the number of beds available for people with eating disorders such as bulimia, anorexia and so on. A rise in obesity levels and other health-related issues owing to a lack of food or of too much food can have a knock-on effect in terms of mental health services, current statistics for which are low. Perhaps the Deputy Leader could obtain for us information in respect of the provision of beds in this area during the next five to ten years.

The second issue relates to the financing of hospitals. Previously, the worse a hospital performed the more money it received. However, following a change in policy — I am open to correction on this — it is now the case that the best performing hospitals get the most money. It is important the Minister for Health and Children provides us with information in regard to the work being undertaken to ensure hospitals maximise the funding allocated to them. Letterkenny General Hospital recently announced it is to close a number of beds. We must ensure patients do not suffer as a result of cutbacks.

I ask that an evaluation be undertaken to ascertain if we are getting value for money and patients are obtaining a service. It is extremely important we listen to and support hospitals and that in turn, hospitals meet the mark in respect of outstanding issues.

**Senator Eugene Regan:** The Government is pulling a stunt in rushing through the House this week the Intoxicating Liquor Bill 2008. The Dáil is dealing with Committee and Report Stages of the Bill today. The Seanad will tomorrow take Second Stage of the Bill and will take Committee and Report Stages on Thursday. Adequate time should be provided for public consultation in regard to the tabling of appropriate amendments to substantive legislation. Also, the legislation should be adequately debated in this House.

In rushing through this legislation, the Government is hiding its failure to adhere to its legislative programme. Very little of the legislation contained in the legislative programme has been enacted by the Oireachtas this year. The only substantive piece of legislation enacted was

the Finance Bill which is flawed legislation bearing in mind it is effectively being amended today in respect of changes to planned expenditure as a result of a shortfall in tax take and the over-shoot of expenditure, both of which were predictable at the beginning of the year.

The Government proposes to introduce in the autumn comprehensive legislation on the sale of alcohol. I believe the Intoxicating Liquor Bill and that legislation should be taken together. This would ensure there is adequate time for parliamentary scrutiny of this legislation. We cannot complain about the inadequate time available in respect of the scrutiny of EU legislation while at the same time accepting the Government's fixing of procedure to ensure there is inadequate time for proper parliamentary scrutiny by both Houses of this type of legislation. I ask that the Leader consider my proposal which will ensure this legislation, which affects a number of interests with views on the matter that need to be considered by politicians, is not rushed through this House.

**Senator John Hanafin:** In view of the emphasis on food production at the G8 summit, I ask the Deputy Leader for a debate on genetic modification. Whatever opinions one has on genetic modification, there could surely be no basis for objecting to genetic modification of bio-fuel crops, which are used solely for energy purposes, including the provision of electricity. In light of the current world food crisis, in which Ireland, as a food producer, can play a major role, this debate should take place at the earliest opportunity.

**Senator Ivana Bacik:** I support Senator Regan's comments about rushing through the Intoxicating Liquor Bill. I agree entirely that it seems most inappropriate to give such a short time in the Seanad to such an important Bill. I do not see what the urgency is. Why can the Deputy Leader not arrange for more time to be given to the debate in the autumn?

**Senator Jerry Buttimer:** Hear, hear.

**Senator Ivana Bacik:** That would be worth doing.

I support Senator Fitzgerald's call for the Minister for Enterprise, Trade and Employment to come to the House for a debate on the economy. At a time when we are hearing from the Government about what it calls necessary savings or adjustments but what any sane person would call cutbacks, and in view of the fact that these cutbacks will hurt the most vulnerable, it is important that we have such a debate. I have spoken before in the House about the difficulties faced by staff, particularly HSE front-line staff, who have nobody to replace them when they go on maternity leave or annual leave and are therefore forced to offer reduced or scaled down services to patients and clients. It is appalling, and it is important that we ask the Minister for Enterprise, Trade and Employment to come to the House to deal with this issue.

I also ask the Deputy Leader for resumption of the debate on a Bill I introduced in the House in October, the Climate Protection Bill 2007. It is still on Second Stage and there is time left on this Stage. I have had correspondence from the Deputy Leader in which he made various points about how other things needed to fall into place, but I ask him to ensure that we resume debate on this Bill early in the next session. It is important, for all the reasons expressed when the Bill was first introduced, that rather than dealing with this issue through political promises, we introduce legislation geared at reducing carbon emissions and tackling climate change. This week Fianna Fáil Senators put down a back-slapping motion congratulating the Government on how much has been done to reduce dependence on fossil fuels. However, it would be far more practical if we were to pass legislation that sets binding targets, not just for this Government but for future Governments, in tackling climate change.



**Senator Labhrás Ó Murchú:** I commend Senator Quinn on the point he made regarding waste of food in a time of food shortages. In some ways he may have set in train a new awareness of our responsibility to those who are less fortunate than ourselves. Hundreds of thousands of people die from starvation. We see terrible pictures on our television screens from time to time. I am sure we all feel a pang of guilt when putting excess food in the dustbin. If the figures are correct, and the level of food wastage is in the region of 337,000 tonnes per year, there should be a campaign to prevent this and to give assistance to those who need help. Irish people are particularly generous when requested to give money during famines in other parts of the world.

I hope the points made by Senator Quinn are not forgotten and do not just disappear into the record of the House. I suggest to the eminent Senator, in view of the influence he has, that he consider convening an all-party group in the House on this very issue. We could create a new impetus on this matter. We all think about ourselves and our own problems but compared to problems experienced by people around the world they are small. I expect Ireland to provide leadership on this and respectfully make my suggestion. I would be prepared to go along if the Senator convenes such a meeting.

**Senator Paudie Coffey:** I support Senator Fitzgerald's call for a debate on the economy and on employment in general. The trends in recent live register figures are worrying. The Government was happy to use the housing boom to conceal our declining competitiveness in exports and manufacturing. Now thousands of young Irish construction workers, skilled in various trades, find it hard to get work. I call on the Acting Leader to invite the Tánaiste and Minister for Enterprise, Trade and Employment, Deputy Mary Coughlan, to come before the House to outline the Government's plans to re-skill and upskill these workers to help them face the new employment challenges. Senators should be allowed debate the roles of FÁS and various Government agencies in this issue. I formally second the proposed amendment to the Order of Business.

Much has been said about provisional licences and the testing taking place at the moment. When the Minister for Transport delayed the enforcement of legislation on provisional driving licences he set a target of ten weeks for the various licensing centres. I have a list of these centres before me and they all issue test notices in less than ten weeks. However, I have doubts about this. A couple of people contacted me about testing dates that were set. A young lady who works as a veterinary nurse twenty miles from the testing centre had a test set for this week, Thursday, 10 July. She holds a provisional licence, has done all her lessons and was ready to sit the test on Thursday. She received a call last week from a private number to inform her that her test had been cancelled. No reasons were given and she received a letter yesterday stating that she must wait a further six to eight weeks for her test. This is very unfair to people who have prepared for a test. I wonder whether the figures stating that the target of ten weeks is being met are credible. Are tests merely being arranged in a number crunching way to allow targets be met? This is how it seems to me. Cancellation of tests like this is unfair to young drivers and drivers on provisional licences who have prepared for the test. I ask the Acting Leader to request that the Minister for Transport investigate this and ensure adequate resources are allocated for the proper testing of provisional drivers.

**Senator Nicky McFadden:** I ask the Acting Leader to organise a debate urgently on head shops. This issue was brought to my attention in my midlands constituency in recent days. A young man went into a so-called head shop, bought herbal cigarettes and ended up in hospital in intensive care. The young man in question was 17 years of age and had never been in trouble

in his life. He neither drank alcohol nor smoked ordinary cigarettes and was a fit person but he ended up in a psychotic state.

I have done some research and have spoken to local gardaí and these head shops are all legal and above board. To my mind this is an outrage. In a newspaper yesterday the Minister spoke of the increased number of heroin addicts. These so-called head shops sell all sorts of devices that help people smoke heroin. One can buy seeds, drugs and drug related devices there and I have been told they are “legal”.

What sort of message are we sending to young people if we allow such shops to trade on high streets all over the country? I am aware that a similar shop in Galway has been closed. I ask the Minister to come before us, as Members of the Upper House of the Oireachtas, to tell us what he proposes to do and the legislation he intends to draft urgently to close these dreadful shops once and for all.

With the Cathaoirleach's indulgence, the second issue I wish to raise relates to affordable housing, though I know there will be a debate on housing later. It is necessary that councils are able to renegotiate with developers considering the glut of vacant houses, amounting to thousands. There is a considerable number on the housing list. On behalf of  
3 o'clock councils, the Minister should renegotiate ways in which they can buy the houses at a cheaper price than they could normally do so. This would constitute a pay-back by developers given the amount of money made by them in recent years. It would reduce the number on housing waiting lists throughout the country.

**Senator Pearse Doherty:** Ba mhaith liom ceist a chur ar an Leas Cheannaire. An gcuirfidh sé ceist ar an Taoiseach agus ar an Aire Gnóthaí Eachtracha an rachfaidh siad i ngleic leis an cheist ó thaobh na himircigh atá sna Stáit Aontaithe, Meiriceá. The Deputy Leader may be aware that, in recent months, there has been an intensification of the imprisonment of undocumented Irish in the United States and of deporting them back to this island. Three people from my county are awaiting deportation for the past couple of months. A young 27 year old has been in a correction centre for a number of weeks and is awaiting deportation to Ireland. Another young lad from my constituency was held in a prison for more than a month. I ask the Deputy Leader to ask the Taoiseach and Minister for Foreign Affairs to engage with the political parties in the United States and particularly the two presidential candidates, Senator McCain, who has sponsored US immigration legislation, and Senator Obama. The Spanish league has already engaged with the two candidates. I ask that the Taoiseach, along with the Minister for Foreign Affairs, to use his trip to the United States this July to deal with this issue as effectively and speedily as possible.

The Deputy Leader said three months ago that the gateway innovation fund was due to be announced the following week. There is serious concern in the eight gateways where the €300 million pilot fund was supposed to be invested. The spatial strategy means nothing to those in most of the gateways because the funds have not been made available. This was supposed to be the first slice of the cake but it is now feared they will be subject to the cutbacks the Government is announcing. The Deputy Leader may have information on when the gateway innovation fund will be announced.

On health care, what is happening in Letterkenny General Hospital is appalling. The cutbacks or budgetary constraints in the hospital are ridiculous. Health care is supposed to involve putting patients first. When the Taoiseach opened the short-stay unit in Letterkenny just over a year ago, he said it was a major step forward. That the ward is now closing, thereby taking 20 beds out of the system in the hospital, is a major step backwards. Coupled with the fact that day services are being scaled back for the month of August, what is happening, including the



[Senator Pearse Doherty.]

activity of the Government, is ridiculous. I ask that the Deputy Leader exert some pressure on the Government or facilitate a debate. The problem is not unique to Letterkenny in that it features in Galway and elsewhere. Let there be no doubt that other hospitals will withdraw services over the summer months.

On a final point——

**An Cathaoirleach:** Other speakers are waiting. That is the Senator's fourth point.

**Senator Pearse Doherty:** I support the amendment to the Order of Business to facilitate inviting the Minister for Enterprise, Trade and Employment to the House. We are having a debate on the economy tomorrow, which will probably last two hours. We will then head off on our sabbatical, or whatever one wants to call it, for 13 weeks.

**An Cathaoirleach:** The Senator's point is made.

**Senator Pearse Doherty:** There will be no debate in the Chambers of the Oireachtas.

**An Cathaoirleach:** The Senator's point is made. I call Senator Buttimer.

**Senator Pearse Doherty:** I ask that the Minister for Enterprise, Trade and Employment be invited to the House today in order that we can debate the subject the rest of the country will be talking about over the summer.

**An Cathaoirleach:** The Senator has made his point and has sought the debate. I ask him to resume his seat.

**Senator Pearse Doherty:** We will not have an opportunity to have it.

**Senator Jerry Buttimer:** I note the Deputy Leader was very fast to defend the Government in respect of the economy this morning. How times have changed.

**An Cathaoirleach:** Has the Senator a question?

**Senator Jerry Buttimer:** I am supporting the amendment proposed to the Order of Business. Some 19,000 people——

**Senator Dan Boyle:** Is the Senator asking me a question?

**An Cathaoirleach:** Senator Buttimer, on a question to the Deputy Leader.

**Senator Jerry Buttimer:** That was typical of the smart-aleck glib reply that got the Senator into Government.

**An Cathaoirleach:** The Senator should not use such language.

**Senator Jerry Buttimer:** This is typical of Senator Boyle. He is defending the Government on a matter about which he was complaining 18 months ago. He has not changed.

**An Cathaoirleach:** The Senator should ask a question.

**Senator Jerry Buttimer:** He is not listening to the people. As 19,000 additional people are affected today, the Tánaiste and Minister for Enterprise, Trade and Employment must come before the House to discuss unemployment and the loss of our manufacturing base.

I rise primarily to ask the Deputy Leader to facilitate a debate on social work cover in Cork city and generally, in light of the report in today's edition of the *Irish Examiner* that a 15 year old boy spent two nights in a Garda cell in Mallow and has been waiting for five days for social workers to visit him and his family. While that may be good enough for the Green Party's Ireland, it is not good enough for the Ireland and Cork I represent. I ask for a debate in this regard. The Deputy Leader may make smart comments but I represent people in this House.

**Senator Dan Boyle:** The Senator should have some perspective.

**Senator Jerry Buttimer:** I represent people in this House——

**Senator Dan Boyle:** And we do not.

**Senator Cecilia Keaveney:** Unlike the rest of us.

**Senator Jerry Buttimer:** ——and this is a serious matter.

**An Cathaoirleach:** The Senator should speak through the Chair to the Deputy Leader.

**Senator Jerry Buttimer:** I seek an urgent debate on the role of social workers and the provision of out-of-hours coverage at weekends. Life does not end at 4 p.m. on Friday only to restart at 9 a.m. on Monday. I commend the Association of Garda Sergeants and Inspectors on raising the issue today. Answers are required from the Deputy Leader and the Government on the reason no out-of-hours coverage is available at weekends. This is another indication of recruitment freezes, cutbacks——

**Senator Paudie Coffey:** Hear, hear.

**Senator Jerry Buttimer:** ——and of the Government being inhumane to people.

**Senator Cecilia Keaveney:** And of certain professions wanting to work from 9 a.m. to 5 p.m. from Monday to Friday.

**An Cathaoirleach:** Senator Buttimer, without interruption.

**Senator Jerry Buttimer:** It is an appalling vista for the Government that a young boy——

**Senator Cecilia Keaveney:** It is a lack of vocationalism.

**Senator Jerry Buttimer:** I am concluding, Cathaoirleach.

**An Cathaoirleach:** Senator Buttimer has made that point.

**Senator Jerry Buttimer:** It is appalling that a young boy was obliged to spend two nights in a Garda cell. Shame on the Government.

**An Cathaoirleach:** The Senator's point is made. I call Senator Cummins.

**Senator Maurice Cummins:** I join Senators Regan and Bacik in respect of the Intoxicating Liquor Bill. Although the Intoxicating Liquor Bill will complete its passage through the Dáil only tonight, its Second Stage debate in the Seanad will take place tomorrow. How much time will be made available to table amendments on Thursday? How much time will be available between Committee and Report Stages to allow amendments on Thursday?

**Senator Cecilia Keaveney:** The Bill is based on the commission's recommendations.

**Senator Maurice Cummins:** The manner in which the business of the House is ordered for the week is deplorable. Although the Government is trying to rush through this legislation, its record on introducing legislation to either House has been deplorable in the past 12 months.

**Senators:** Hear, hear.

**Senator Maurice Cummins:** Although the number of Bills that have been put through this House is disgraceful, an attempt is being made to rush through the House the Intoxicating Liquor Bill in a couple of days. It requires more careful scrutiny. If one speaks of Seanad reform——

**Senator Frances Fitzgerald:** Or Dáil reform.

**Senator Maurice Cummins:** ——that is no way to go about it. This House has met many times in the week after the Dáil has risen and there is no reason Members should not return next week to discuss this Bill properly.

**Senators:** Hear, hear.

**Senator Cecilia Keaveney:** Hear, hear. Let Members do so.

**Senator Maurice Cummins:** I ask the Deputy Leader to consider that course of action. It is unfair to staff, let alone Members, to introduce Committee and Report Stage amendments in the amount of time allowed. The staff are being asked to work overnight.

**Senator Cecilia Keaveney:** Is the Senator trying to delay its passage on behalf of the vintners?

**Senator Maurice Cummins:** A sitting next week should be considered as a matter of urgency if the Deputy Leader is serious about proper debate on Bills, of which few are passing through the House. If a proper debate is required, the Deputy Leader should be prepared to allow Members to return next week to discuss the Bill.

**Senator Cecilia Keaveney:** Were that to happen, it would scare the life out of the Senator.

**Senator Ivor Callely:** In recent years, great developments, as well as new services and supports have been put in place in the health service. I ask the Deputy Leader to arrange either clarification or a briefing document with regard to the co-operation and liaison that takes place on the discharge of older people from hospital to community care teams. While I have the height of admiration and respect for those working in this area, it has been brought to my attention that on occasion there appears to be a breakdown in respect of the discharge and the required supports and new services for those elderly people. I would be obliged if the Deputy Leader could get that information.

**Senator Rónán Mullen:** In light of the Cabinet's meeting today to approve cuts in Government spending to save approximately €400 million, it would be timely that we would have an urgent debate on how in a time of crisis and cutbacks we would order our priorities.

On an international level, it is estimated by most informed commentators that the money promised at the Gleneagles summit by the G8 in 2003 — €50 billion to Africa and elsewhere by 2010 — will fall short by approximately €30 billion. This suggests that, internationally, there

is great evidence of selfishness among the richer governments of the world. When it comes to making priorities, the poorest of the world's poor are not top of the list.

Domestically, we also need to ask ourselves where will we make the Government cutbacks. Will we make them in such a way that the most vulnerable in our society suffer? Our colleague, Senator Mary White, in her report *What We Can Do About Suicide in the New Ireland*, makes the point today that there is a shortfall in the money made available to the National Office for Suicide Prevention. The estimated €3.5 million for this year falls short by approximately €2 million of what it was recommended it get a couple of years ago. The Abbey Theatre is getting ten times that amount — I do not grudge it that amount — but I worry about whether at a time like this the influential people will still get what they want and the most powerless and the most vulnerable will be the most easily excised from the list of priorities.

**Senator Cecilia Keaveney:** The arts were always excised from the priorities.

**Senator Dan Boyle:** On the amendment to the Order of Business proposed by Senator Fitzgerald to debate the economy, on which Senators Bacik, Doherty, Coffey, Buttimer and Mullen have also commented, we are having a debate on the economy tomorrow in the form of statements and it is not in order to offset the Order of Business to have a special debate today as well.

That said, many of us are waiting with anticipation for the announcement at 3.30 p.m. of the new spending allocations. Tomorrow's statements will probably give the House a better opportunity of debating the matter. My understanding is that the choices being made by the Government will put emphasis on protecting the least vulnerable in society, to whom Senator Mullen referred, give consideration to keeping up spending on infrastructure and ensure that the spending allocations, particularly on capital spending, are readjusted according to new time lines for projects rather than imposing direct cuts in current services.

**Senator Maurice Cummins:** Closing hospital wards.

**Senator Dan Boyle:** We will wait and see what is proposed.

**Senator Paudie Coffey:** New time lines means postponement or cancellation.

**Senator Dan Boyle:** We are concerned here with a spending adjustment of €450 million out of a budget of €53 billion.

**Senator Paudie Coffey:** If they did not squander it, they would have it to spend.

**Senator Dan Boyle:** The actual spending in 2008 will be along the same lines as 2007.

**Senator Jerry Buttimer:** Senator Boyle is buying into the spin. He has learned well in 12 months.

**An Cathaoirleach:** The Deputy Leader without interruption.

**Senator Dan Boyle:** The situation in which the country finds itself, particularly in terms of public expenditure, is not the preferred course. However, the way to look to our future economic development is through reasoned debate rather than through constant belligerence.

**Senator Paudie Coffey:** They are all about that.

**Senator Dan Boyle:** This House deserves better than finger pointing and name calling.

**Senator Maurice Cummins:** They have been practising that for years.

**Senator Paudie Coffey:** They made their reputation on it.

**Senator Pearse Doherty:** Let us have a debate on unemployment today.

**An Cathaoirleach:** I will adjourn the House if Senators will not allow the Deputy Leader reply.

**Senator Dan Boyle:** It deserves better than a Greek chorus of constant sloganising. There are those in the House who are willing in such a debate and I look forward to tomorrow's debate as an opportunity to consider how we progress in that area.

Senator Fitzgerald also asked about the Aarhus Convention, which is in the programme for Government. It is intended to implement it as quickly as possible. There are four consents outstanding that need to be changed to allow Ireland to comply with the convention. Three of those are within the Department of Agriculture, Fisheries and Food and one is within the Office of Public Works. As soon as those consents are changed Ireland will be in full compliance——

**Senator Maurice Cummins:** It is the fault of Fianna Fáil.

**Senator Dan Boyle:** ——and an order will be signed to that effect, hopefully in the months to come.

Last Thursday Senator Fitzgerald asked about the position on the EU directive on environmental liability. This will be a part of the Environmental (Miscellaneous Provisions) Bill to be published in the Autumn.

Senator Fitzgerald also raised the matter of the newspaper report about Haulbowline Island, the consultant of the sub-contractor involved and threats made by the Government related to court cases being taken. It is my understanding that the Department of the Environment, Heritage and Local Government stated, in reference to the contractual dispute, that it did not want information given to the sub-contractor in the course of undertaking that contract to be made public. In the meantime the Minister for the Environment, Heritage and Local Government has already made information available in the form of the 2005 report and has given a public undertaking that all information relating to the Haulbowline site is, and will be, made available to the public. This includes information in the possession of previous Governments dating from 1995 and 2002. When all such information is available I wish to hear an explanation from those in Government at that time of why they sat on the problem.

**Senator Jerry Buttimer:** The Senator is passing the buck.

**Senator Frances Fitzgerald:** Will the officials still pursue——

**An Cathaoirleach:** I call the Deputy Leader with out interruption, please.

**Senator Frances Fitzgerald:** Will the officials still pursue the contractor? The Senator is saying the Minister is doing one thing and his officials something else.

**An Cathaoirleach:** That is not a point of order.

**Senator Dan Boyle:** The question of information is not an issue of contention. All information will be made publically available.

**Senator Frances Fitzgerald:** Will he be pursued legally?

**Senator Dan Boyle:** This issue concerning the contract is separate. There is correspondence from the Chief State Solicitor about those who were asked to stop work and refused to do so. The work they were doing was causing an environment hazard. That is the nature of the dispute.

**Senator Frances Fitzgerald:** It is not about the information?

**Senator Dan Boyle:** The information will be made publicly available.

**Senator Maurice Cummins:** When?

**Senator Dan Boyle:** It has been made available already; the 2005 report was made available last week. This will be followed by the 2002 report.

**Senator Maurice Cummins:** There is more.

**Senator Dan Boyle:** It will also be followed by the 1995 report, which informed us of the sale of Irish Ispat, a company sold for €1 with no environmental responsibility whatsoever.

**Senator Maurice Cummins:** Come clean. Do not go back.

**Senator Dan Boyle:** The company was given a five year derogation from compliance with an integrated pollution licence. That is the type of information that will inform this debate in future.

Senator Quinn raised the matter of food shortages and spoke of the other side of the coin in that regard. He spoke of the developed world and the shocking statistic that 20% of the world's population consume 80% of the food. It is important that we have a debate on this matter which should be informed by events at the G8 meeting this week. The Senator was joined by other Senators including Senator Hanafin and Senator Keaveney in requesting such a debate, which is worth having.

I have strong reservations about matters relating to the debate on GM food. Senator Hanafin raised the issue of genetically modified bio-fuel. The issue of bio-fuel are caught up with those of food shortages. There are people who seem to think we can continue to use the same amount of fuel to travel to the same extent and that we can simply replace the lack of oil with other substances such as bio-fuel. That mentality is creating food shortages elsewhere on the planet. Bio-fuel is a substitute, but not a replacement for the sources of fuel we use to travel. We need a wider debate on how, where and what we can grow and for what purposes.

There is also a need for a wider debate on GM food to consider how it contaminates other substances and the matter of GM food companies which hold onto patents, making it difficult to grow other foods in the future. There is a wider political and moral debate that needs to be held on those grounds. Such a debate is worth having and I am sure many in this House would be willing to participate.

Senator Prendergast and Senator Callely raised the issue of what is termed "bed-locking". I accept the term is offensive and perhaps we should use the term "over-hospitalisation". This debate should include the need for step-down facilities and increased access to nursing homes.

**Senator Nicky McFadden:** It should also include home care packages.

**Senator Dan Boyle:** The debate should also include the matter of community care responses. There is no argument about this. I refer to a discussion that Professor Tom Keane held about the reform of the cancer services in British Columbia. He said that money taken from bed



[Senator Dan Boyle.]

spaces there was put directly into other alternative approaches. A debate on this subject, held in that tone with such helpful suggestions would be useful and would help structure national policy in the future. I look forward to such a debate.

Senators Regan, Bacik and Cummins raised questions about the Intoxicating Liquor Bill. The debate surrounding this Bill has run since the publication of the advisory group report on alcohol.

**Senator Maurice Cummins:** I am speaking about in this House.

**Senator Dan Boyle:** We have had two special debates on alcohol in this House.

**Senator Maurice Cummins:** Alcohol is a different subject matter. It is not specific to the Intoxicating Liquor Bill.

**Senator Nicky McFadden:** They were not on the Bill.

**An Cathaoirleach:** The Acting Leader, without interruption.

**Senator Maurice Cummins:** On a point of order, what has been said is incorrect.

**Senator Jerry Buttimer:** It is not correct.

**Senator Maurice Cummins:** I raised the Intoxicating Liquor Bill and he has not referred to it.

**An Cathaoirleach:** It is not a point of order.

**Senator Cecilia Keaveney:** It is based on the recommendations of the advisory group.

**Senator Ivana Bacik:** On a point of order, committee stage amendments must be in at 11 a.m. tomorrow, before Second Stage even begins.

**Senator Maurice Cummins:** Yes.

**Senator Ivana Bacik:** There is no question but that it is being rushed.

**Senator Dan Boyle:** I spoke in the general sense but I will address that question. We have had general debates in this House about the recommendations of the policy group.

**Senator Maurice Cummins:** We are speaking about the procedural matters.

**Senator Dan Boyle:** If the Senator allows me finish, I will get to those points. The debate has been informed by those recommendations with regard to how the Bill is being taken both in the Dáil and in this House. From the Government's perspective, there is a wish to pass the Bill before the summer so its effect can be immediate.

**Senator Cecilia Keaveney:** Hear, hear.

**Senator Maurice Cummins:** That is not a basis for good legislation.

**Senator Jerry Buttimer:** We can meet next week.

**Senator Dan Boyle:** When we begin consideration of the Bill tomorrow, I am sure the Leader of the House will listen to debate and decide if additional time is available this week. The House has made a fairly clear decision about the session finishing this week so I am not sure

the leeway exists. I have taken on board the concerns expressed today and if there is an opportunity for readjustment tomorrow, the case can be made again. The concerns made today will be communicated.

**Senator Maurice Cummins:** We will certainly make them again tomorrow.

**Senator Dan Boyle:** Senator Bacik spoke about the Climate Protection Bill and the need for further debate. I am unsure whether she speaks directly about the Bill and its progression in its current form. I included in correspondence some of the concerns I have about waiting for the report of the Oireachtas Committee on Climate Change and decisions on the follow-up to Kyoto, which is expected from a major meeting in Copenhagen in 2009. It is still the Government's preferred course to wait for international decisions to be made before we progress with legislation. The Government still feels it is important this legislation remains on the Order Paper so it can help inform whatever legislation follows.

Senator Coffey brought up the issue of driver licensing, outlining particular concerns. I will seek to make information available to him as to why driver test centres would communicate cancellations to people in that way and whether it affects statistics in the way described by the Senator.

Senator McFadden talked about head shops which exist in several urban centres across the country. My understanding is the materials sold there are subject to control by the Irish Medicines Board. Whereas they may be unconventional and have the type of effects described, questions must be asked in the first instance about the particular substances sold. If paraphernalia is being sold in these shops which can be used for other drug uses, I would consider it a more serious charge. If information can be supplied on that, the Minister should respond to queries of that nature and we will seek to have a debate on that.

The question of affordable housing may be more immediately answered in today's debate and I am sure the Minister of State with responsibility for housing can speak on Government policy in this area.

Senator Doherty asked about the undocumented Irish and more or less answered his own question in the sense that it is an issue in the American presidential campaign. His concerns will be forwarded to the Taoiseach and Minister for Foreign Affairs to see if the two candidates will be involved in an initiative in that regard.

The Senator also spoke about the gateway innovation fund and I am conscious that I said decisions were imminent. I was informed that the consultants making recommendations to the Government had made their report. The interim time which is about two months since has been about debate in the Government about how and when finalised decisions will be made and the public announcement will follow. I understand such an announcement is imminent and I am not led to believe the issues at hand are affected by today's announcement. However, as I do not know the contents of the announcement, we must wait and see.

Senators Doherty and Keaveney referred to the announcement of ward closures. We need to discover to what extent these closures are additional to the usual ward closures in August or whether they are linked to a policy under which resources are allocated on a performance related basis. I will seek information on the matter from the Minister for Health and Children. I share the Senators' concern about Letterkenny General Hospital, which does excellent work. My father passed away in that hospital.

Senator Buttimer, when he got around to putting a question, asked about social work cover in the Cork area. As someone who has worked in the community and youth work area, I share the Senator's concern. The current approach to social work has resulted in poor service delivery

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across the country for several years. The problem is only partially related to resources and may be attributed to a culture within social services and the manner in which they are delivered. I would be pleased to facilitate a debate on social services in Cork or at national level.

**Senator Jerry Buttimer:** We need action.

**Senator Dan Boyle:** The Senator made useful points with which I agree.

**Senator Jerry Buttimer:** I am glad to hear it.

**Senator Dan Boyle:** I have covered all Senators' contributions.

**An Cathaoirleach:** Senator Frances Fitzgerald has proposed an amendment to the Order of Business: "That statements on the increase in the number on the live register be taken today." Is the amendment being pressed?

**Senator Frances Fitzgerald:** Yes.

Amendment put.

The Seanad divided: Tá, 14; Níl, 22.

Tá

Bacik, Ivana.  
Burke, Paddy.  
Buttimer, Jerry.  
Coffey, Paudie.  
Cummins, Maurice.  
Doherty, Pearse.  
Fitzgerald, Frances.

Hannigan, Dominic.  
McFadden, Nicky.  
Mullen, Rónán.  
Phelan, John Paul.  
Quinn, Feargal.  
Regan, Eugene.  
Twomey, Liam.

Níl

Boyle, Dan.  
Brady, Martin.  
Butler, Larry.  
Callely, Ivor.  
Carty, John.  
Daly, Mark.  
Ellis, John.  
Feeney, Geraldine.  
Glynn, Camillus.  
Hanafin, John.  
Keaveney, Cecilia.

Leyden, Terry.  
MacSharry, Marc.  
Ó Murchú, Labhrás.  
O'Brien, Francis.  
O'Donovan, Denis.  
O'Malley, Fiona.  
O'Sullivan, Ned.  
Ormonde, Ann.  
Phelan, Kieran.  
White, Mary M.  
Wilson, Diarmuid.

Tellers: Tá, Senators Jerry Buttimer and Maurice Cummins; Níl, Senators Fiona O'Malley and Diarmuid Wilson.

Amendment declared lost.

Order of Business agreed to.

### **Housing Market: Statements.**

**Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran):** I am pleased to have this opportunity to address the House. I wish

use my time to outline recent developments in regard to housing policy. In particular, I wish to update Senators on the progress we are making on implementation of the programme and policy reforms set out in the housing policy statement, *Delivering Homes, Sustaining Communities*, which was published early last year.

The policy statement set out a vision to guide the transformation of the housing sector over the medium term by delivering more and better quality housing responses and by doing so in a more strategic way, focused on the building of sustainable communities, in particular.

We are now working on the implementation issues which need to be addressed if we are to transform the housing environment to meet the challenges arising, many of which are identified in the policy statement. I am pleased to say that substantial progress has been already made.

Recent guidance documents produced by my Department, such as *Quality Housing for Sustainable Communities*, published in March 2007, and draft *Guidelines on Sustainable Residential Development in Urban Areas*, have focused on the process surrounding the delivery of quality housing for sustainable communities and the promotion of better place-making through the delivery of quality neighbourhoods and homes. These documents form part of a suite of guidance which my Department is developing to promote quality in housing and neighbourhoods.

Part of this new approach is to ensure that all new developments and urban design frameworks are socially, environmentally and economically sustainable. The key is to provide high quality environments that meet the needs and, as far as possible, the preferences of residents and to foster the development of sustainable communities through improved settlement patterns and better use of our resources in terms of the consolidation of our urban centres.

Apart from looking at urban design and context issues, our quality agenda is also much focused on the quality of individual homes. In that context, it is very important that we constantly strive to improve the energy efficiency of our buildings. Against the ever growing threat of global warming, we must seek to minimise our harmful emissions as much as possible. The residential sector's energy-related CO<sub>2</sub> emissions represent 27% of total energy attributable emissions. It is a huge figure. That is why, in full compliance with the priorities which were identified in the programme for Government, my colleague, the Minister, Deputy John Gormley, introduced new Part L building regulations at the end of 2007 which require new buildings to achieve a 40% reduction in energy consumption and a 40% reduction in related CO<sub>2</sub> emissions from the start of this month. For the first time, there is a mandatory requirement that new dwellings should have a minimum level of renewable energy sources. These measures represent very significant advances towards the achievement of much improved environmental sustainability in our housing developments.

I now turn to the range of housing supports available. The policy statement and the National Development Plan 2007-13 reflect the strong commitment to expand the provision of social and affordable housing contained in the social partnership agreement *Towards 2016*. The impact of the record levels of investment this Government is committing to these housing programmes is already evident. Last year more than 13,000 social and affordable housing units were delivered and, overall, the needs of almost 18,300 households were met through the broad range of social and affordable housing programmes. That represents a very significant increase of 24% on the level of needs met in 2006 and is a great tribute to the way in which local authorities and voluntary and co-operative housing bodies have stepped up to the mark.

The funding provided for housing programmes has been increased again in 2008 with some €2.5 billion available to local authorities and the voluntary and co-operative sectors for their activities. This will allow for the commencement of a significant number of new social housing

[Deputy Michael Finneran.]

units, further progress under regeneration programmes and the completion of a large number of units under both the local authority and voluntary housing programmes.

The level of delivery under Part V is experiencing a surge in 2008. My Department is liaising closely with local authorities and the voluntary and co-operative housing sector to ensure that available resources are appropriately targeted in order to ensure that this Part V bulge can be accommodated. More broadly, given the well flagged more constrained current state of the public finances, there will be a need for all of us to explore new ways to fund and deliver housing programmes making optimal use of the available resources to meet the range of needs which exist.

The Government's commitment to social housing is not only focused on the process of building and managing social housing but rather looks to the wider context and the imperative of developing stable, sustainable communities. A key element in this new perspective is recognising and delivering on the need to redevelop and regenerate large, primarily mono-tenure local authority estates which are experiencing high levels of social and economic disadvantage. My Department is supporting a very ambitious regeneration programme, with projects across the country receiving funding and support to develop more sustainable communities through a combination of social and economic initiatives as well as by regenerating the physical environment of the estates concerned. Overall, the funding available for regeneration projects in 2008 has been increased by 28% to €121 million.

Our approach now builds on the Ballymun regeneration experience with, for example, the Limerick Regeneration Agencies very clearly looking beyond the renewal of social housing to the wider social and economic impacts.

Senators will be aware of the difficulties which have emerged in regard to a number of public private partnership housing regeneration projects in Dublin. However, I can assure them that Dublin City Council, the lead authority on these projects, is actively pursuing the options for moving forward these projects and my Department is actively engaging with the council in that regard. As has been already stated by the council, meeting the accommodation needs of affected residents is of the utmost priority and will remain so.

Moving on from social housing, I have no doubt the House welcomes the fact that the supply of affordable housing has consistently increased in the past few years. From about 2,000 units in 2004, delivery reached almost 3,600 units last year and further expansion is envisaged under the National Development Plan 2007-13.

The Government believes that home ownership should be available to as many people as possible where this is their preferred option. Building on the general policy framework set out in *Delivering Homes, Sustaining Communities*, the Affordable Homes Partnership was requested to examine ways to enhance the delivery of affordable housing. The report, prepared on foot of its study, was published in April 2008 for public consultation and my Department is also consulting with the social partners in regard to the report's recommendations. The report suggests some improvements in aspects of programme delivery and recommends a new product to replace this existing range of schemes. We will give careful consideration to the results of this consultation process in deciding on future directions in relation to affordable housing.

While the main housing supports provide a range of approaches to meeting mainstream housing needs, the Government is very much aware of the critical role that the adaptation grant schemes play in meeting special housing needs within a broader continuum of care for older people and people with disabilities.

As Senators are aware, in order to facilitate the continued independent occupation of their own homes by older people and people with disabilities, and following a comprehensive review undertaken by the Department, a revised framework of adaptation grant schemes to assist older people and people with a disability with their accommodation needs was implemented in November 2007. The revised grant framework streamlines the administrative and operational procedures governing the schemes, provides a more targeted and integrated response to the housing needs of older people and people with a disability and ensures the most efficient and cost effective outcomes from the funding available. These new grant schemes are proving popular. This requires local authorities, in operating the schemes, to prioritise applications in order to ensure the available resources are targeted at those in greatest need. The Department will watch activity under the schemes in each local authority area and, in the event of underspends by some local authorities, will reallocate these resources to other authorities later in the year.

On the issue of disability, the Department is leading the development of a national housing strategy for people with disabilities. The strategy, which will be developed by the end of 2009, will support the provision of tailored housing and housing supports for people with a disability and will have particular regard to adults with significant disabilities and people who experience mental health issues.

We have also convened a cross-departmental team on sheltered housing. In conjunction with the office of the Minister with responsibility for older people, we will develop a policy governing sheltered housing provision for older people over the course of 2008 and agree local structures and protocols for integrated management and delivery of housing requirements and the provision of care.

The new homeless strategy is being finalised and I expect it will be published shortly, following resolution of a number of outstanding issues, including the availability of funding for care costs in certain homeless facilities. This is being pursued as a priority by the relevant Departments and agencies. The new strategy will set out a vision to address adult homelessness over the next five years, underpinned by a detailed programme of action. It builds on the commitments in *Towards 2016* and the programme for Government. Key objectives are to eliminate long term occupation of emergency homeless facilities and the need to sleep rough by 2010 and to prevent the occurrence of homelessness as far as possible.

Effectiveness in the implementation of the new strategy will be a priority. The strategy contains both national and local actions related to its strategic aims. An implementation plan setting out detailed timelines and lead roles for the range of actions is being developed under the aegis of the cross-departmental team on homelessness and will be finalised following publication of the strategy. There will be a strong focus on maximising efficiency and value for money from the significant funding which the State is providing to address adult homelessness.

This year the Department is providing some €53 million to fund accommodation related costs, while the Government has provided approximately €33 million for funding care and health services through the HSE. A value for money study and an evaluation of homeless services in Dublin are currently under way and their findings will be critical in the drive to maximise efficiency and value for money, including avoidance of duplication, more streamlined and integrated services and rigorous assessment of what services are required.

It is important that we provide a robust legal base for the broad housing reform programme. A draft Housing (Miscellaneous Provisions) Bill will be submitted to Government shortly, for approval to publish. The new legislation will give effect to the range of reforms, outlined in *Delivering Homes, Sustaining Communities*, aimed at improving services and their delivery. The reform programme includes new provisions on the assessment of social housing needs,



[Deputy Michael Finneran.]

updated management and control powers and a statutory basis for housing action plans. The Bill will also broaden choices available to those seeking social housing, by providing a more developed legislative basis for the rental accommodation scheme and expanding paths to home ownership through the new incremental purchase scheme. I look forward to a thorough examination of all the proposals in the Bill as it passes through the Oireachtas and believe it will be recognised as a major contribution to the reform of the social housing sector.

It would be remiss of me to conclude without making reference to the current state of the housing market. Our housing market has slowed down significantly since its peak in the second half of 2006, following a decade of unprecedented demand for and supply of housing. Key factors in this long growth phase were national demographic changes, particularly the large population cohort in the key household formation age group between 25 and 34 years, easier access to credit, historically low interest rates and increased levels of disposable income. From its 2006 high point, housing output has dropped substantially, due initially to a doubling of interest rates between December 2005 and June 2007, which, combined with high prices, caused affordability to deteriorate.

Since then, global developments, both in the general economic environment and financial markets, have had an impact. American and international financial exposure to sub-prime liabilities led to a credit crunch that has spread around the globe and negatively impacted on the cost and availability of inter-bank financing. This has had an impact on retail lending, and banks, it would appear, have become more cautious in their approach to lending, whether for development or mortgage purposes.

It is important to have a clear historical perspective in looking at the Irish housing market and to recognise that housing output rose well beyond what would be warranted on the basis of underlying long-term demand. The Department has estimated that a sustainable long-term housing requirement of 60,000 to 65,000 units per annum is realistic. Therefore, it is clear that the 2006 output of more than 90,000 houses was unsustainable. There is still significant underlying demand for housing where prices have adjusted to reflect current market conditions, although this is dependent on access to credit. It is also important to note, notwithstanding last week's ECB interest rate increase, that there has been an improvement in affordability in recent months, as a result of increases in mortgage relief and disposable income and reductions in average house prices.

The effective demand for housing in the market at any given time is affected by many short-term factors, such as the cost and volume of lending, price expectations, confidence, etc., and, therefore, can vary significantly from the anticipated longer-term underlying housing requirement. However, the Irish housing market is generally considered fundamentally sound and likely to be underpinned on a long-term basis by strong underlying demand. While the market is currently experiencing difficult times, I expect that in the short to medium term we will return to a more stable and sustainable market. The continued prudent approach to managing the economy and public finances which has been the hallmark of this Government will be crucial to the achievement of this objective.

The programme of work which I have outlined and the policy reforms now under way all serve to underline the Government's commitment to meeting a broad range of housing needs. I assure Senators that I am committed to driving the housing agenda forward positively within the resources available. My core aim will continue to be to address real needs and to do this in a way that builds sustainable communities and develop places where our people will want to live and work, now and in the future.

**Senator Paudie Coffey:** I welcome the Minister of State to the House and thank him for facilitating the debate on housing. It is an appropriate time to debate this important matter of concern for many citizens, whether they are people on housing lists or people who have purchased privately and are paying mortgages. We need to debate the issue of housing and to consider in detail how we will meet the new challenges of the current economic climate.

The last occasion this House debated housing was in October 2007 when, despite the concerns expressed by the Opposition, the Minister of State's predecessor, Deputy Batt O'Keeffe, stated, "A key point I want to make is that recent trends in aspects such as house prices and housing output involve, essentially, a return to a more normal and sustainable pattern and will not necessarily have negative results as some media comments might suggest." He was referring to media reports that the housing market was about to experience serious challenges and would not experience a soft landing but he got it wrong on that occasion. Disappointingly, the Government questioned media commentators, economists and Opposition Members who raised concerns about housing and labelled them as prophets of doom. The current reality is stagnation in the housing market and increases in negative equity.

The delivery of social and affordable housing needs to be reviewed. I welcome the announcement by the Minister of State of the housing provisions Bill. The targets in this area are not being met at present and hundreds, if not thousands, of people are languishing on housing lists in local authority areas. These people will not be comforted by statistics about spending on the national development plan if their houses are not built. In the past several years, local authorities have reduced their direct provision of social housing and have depended instead on developers and Part V of the Planning and Development Act 2000 to deliver on their obligations. However, local authorities need to be properly resourced if they are to meet the challenge of housing.

I disagree with the Minister of State when he stated, "The continued prudent approach to managing the economy and public finances which has been the hallmark of this Government will be crucial to the achievement of this objective." That could not be further from the truth. The end of the housing boom has exposed the fallacy of the Government's claim to superior economic management. The credit fuelled and tax driven housing boom contributed to a deterioration in the underlying health of Ireland's economy. With house building overtaking foreign trade as the main driver of economic growth, 2002 marked an important milestone in the Irish economy. Building overtook manufacturing as the largest single employment sector in 2004. Construction accounted for 14% of Irish jobs, or more than twice the OECD average, by late 2006, while 2007 was the sixth year in succession that new housing output significantly exceeded underlying household formation, estimated at 50,000 per year.

Over-building did not initially slow house price growth thanks to tax breaks for developers and investors, housing demand from immigrant building workers and property speculation driven by cheap credit and capital gains. Average house prices doubled between 2000 and 2006 and tripled between 1997 and 2006 but the IMF was able to relate only half the growth in house prices to underlying economic fundamentals such as income and interest rates. At the peak of the housing credit cycle in early 2006, mortgage lending increased by more than 30% per annum. Some 69% of mortgages had loan-to-value ratios of above 90% and 36% had ratios of above 100%. This massive credit expansion drove up house prices, which in turn became the security for further credit expansion. The result was that by 2007 Irish household debt was the highest by far in the eurozone. In late 2006, the CSO reported that 15% of the Irish housing stock, or 300,000 houses and apartments, were vacant. I question whether that demonstrates the protection of the fundamentals of the economy. The current housing market is suffering

[Senator Paudie Coffey.]

from excess supply, high mortgages and a rapid increase in the number of repossessions coming before the courts. The housing market was seriously overheated but the Government exacerbated the problem at a time when controls were needed. The banks also had a role to play in the way they loosened credit and threw money at people. We are now seeing the flip side in terms of a credit crunch and string tightening by banks.

It has become more difficult for first time buyers to enter the property market, despite falling house prices. The Central Bank has reported that mortgage lending growth fell in May to its lowest point since 1992. The first time buyers' share of the market was 22.5% in the first quarter of 2007. In the same quarter of this year, it was 17.4%. That first time buyers are unable to purchase property has to be a cause of concern for the Government, politicians and the general public. They also face higher mortgage rates, tightened credit and lending criteria and decreased job security. Banks are also requiring larger deposits before offering mortgages.

It is a person's fundamental right to have a roof over his or her head, irrespective of whether that comes from public or private housing. It is the Government's responsibility to assist people on housing lists and prospective house buyers in finding comfortable and adequate housing. New initiatives are needed to stimulate demand in housing markets. The shared ownership scheme, which was intended to help people on housing lists, is good in theory but it needs to be reviewed in order to support with grants or equity loans those who cannot meet the full cost of a house in the present climate.

The Minister of State has indicated that the forthcoming housing provisions Bill will review direct provision of social and affordable housing by local authorities. Some local authorities abdicated their responsibilities through the Part V provisions which allowed them to use 20% of private developments to meet housing demands. However, housing programmes and land acquisition need sustainable models of community building. Local authorities have a role to play in this regard but if they are given that role, they need to be properly resourced.

I am aware that the national development plan provides funding for social and affordable housing. I hope there will be no cuts to housing assistance grants for disabled persons and essential repairs or to the newer housing adaptation grants because these are a significant source of help for people in meeting their accommodation needs. Where funds are not taken up by local authorities, the Minister of State suggested that they would be redistributed. In my constituency of Waterford, these grants are in high demand in both the city and the county. As chairman of a housing strategic policy committee, I have experienced the difficulties that arise in regard to providing the local authority portion of grants. The Department of the Environment, Heritage and Local Government offers 90% of the funds but the local authority has to provide the remainder. Due to the number of applications that were made previously in my area, that 10% was difficult to find. It is a successful scheme. I encourage the Minister of State to ensure it is properly resourced.

My colleague, Senator McFadden, will address the issues of homelessness and grant schemes in more detail. There is an over-supply of housing at the moment given the current level of vacant housing stock of which there are 300,000 made up of houses and apartments. We need to move this housing stock. I am speaking not of developers but of people on waiting lists for houses, including young couples wishing to have a house of their own to start a family. These vacant houses must be removed from the market and be lived in once again. It is up to Government to provide the initiatives required be it by way of equity loans, affordable housing schemes or shared ownership schemes. It is important this stock is moved as this will assist in stimulating the housing market and in moving the construction industry in the right direction.

I welcome this debate. We could speak all day about the serious implications of the current housing situation. However, with proper policies, sound management and the required investment and resources we can overcome the challenges we face. We need to reduce housing waiting lists and to assist young families obtain a house of their own. I thank the Minister of State for attending the debate today.

**Senator Larry Butler:** I welcome the Minister of State to the House and welcome the new legislation which is long overdue and will reform how local authorities operate.

I am glad the 2008 programme remains in tact. However, as Senator Coffey stated, we do not know what might occur after 3.30 p.m. today. I welcome the Minister of State's announcement in respect of the €74 million for affordable housing; €51 million for rental accommodation, which is vitally important; €40 million for Traveller accommodation which will assist people at the lower end of the market; €290 million for voluntary and co-operative housing with 100% grants and, the €1 billion for local authorities in respect of social housing provision. I worry about the capacity of local authorities to deliver this type of development. The Minister of State should consider their capacity to do what is required.

I welcome the €199 million for regeneration in places such as Sligo, Cork and Limerick under the public private partnership schemes. With the downturn in the economy it is essential funding is spent sensibly and efficiently. The Minister of State said we must ensure more efficiency in the provision of services, which is vitally important, and that we must ensure there is better management of county council housing stock. He also stated that such funding may not be spent to compensate for poor local management. I know that previously my council had to return unspent funding and I do not believe this is acceptable any more. It is right and proper that we introduce new measures for regulation of local authorities.

Currently, when a house which has been upgraded is returned to a council, the council is required to return that house to its original state. That is a waste of money. It is no longer acceptable. There are in excess of 3,000 houses vacant in the Dublin City Council area and 5,300 houses vacant countrywide. While some of these units may be vacant as a result of regeneration schemes, this and future governments will be required to invest a couple of billion euro in the housing sector. We cannot continue in this way. The Minister of State should consider carrying out an audit in this regard.

We need to adjust to the new situation and to ensure we do better; to retain the skills currently available to us in the construction industry and to recommence community employment schemes and the housing refurbishment scheme. Also, county councils must ensure efficiency. I mentioned previously that much of the work undertaken is being duplicated. We must improve the turnaround time in respect of the provision of council houses. The current surplus in construction capacity provides us with an opportunity to utilise excess labour in the renovation of these houses.

We must fast forward the national development plan and move construction industry resources from speculative development to social and affordable development. The current situation in the construction industry provides us with the manpower to do this. Provision is made for local authorities to engage contractors in respect of waste and water management and in designing and maintaining major projects. They could be permitted to do likewise in respect of housing provision. This would ensure more efficiency in this area. Often, a full year has passed before planning permission is agreed by a county council. It takes a further six to eight months for contracts to be agreed. This means it is often two years before a development commences. One cannot deliver a housing programme with inefficiencies like this.

[Senator Larry Butler.]

Access to credit plays an important part in the construction industry. Access and low interest rates were the key drivers of the sustained boom we witnessed in recent years. There is an opportunity in crises. For example, one bed apartments which cost €310,000 are now being advertised for sale at €245,000. This provides young people with an opportunity to get on the housing ladder, despite the tighter controls in respect of access to credit.

It is important people do not find themselves in the position of not being able to pay their mortgages. It is important we put in place incentives to encourage house buyers, who are currently sitting on the fence, to get back into the market. Some 700 to 800 house sales are being held up as a result of poor conveyancing. This issue should be examined. The council should look to the local solicitor if it cannot complete the conveyancing work itself. There is also an opportunity for an increase in the availability of credit through the Housing Finance Agency. We should allow the agency to play a key role in terms of credit.

At a time when extra labour is coming on stream, more than 90% of Irish houses do not meet energy standards. According to an EU directive, we must tackle this. We should make use of spare construction capacity and encourage people to bring their homes up to the required energy standards. Other countries, such as Canada and Germany, have already done this. We should target the lower paid and people who would not otherwise be able to do this work with special grants which will prevent their becoming energy-poor. We should also allow private occupiers an income tax advantage for employing registered construction firms to upgrade their homes. This will represent a definite return on investment for the Government and could be a neutral expenditure if carbon taxes are introduced and the resulting funds reinvested into this green collar sector. This sector will play an important role in job creation. The Commission on Taxation is currently investigating the possibility of carbon taxes. This was promised under the Programme for Government and I hope the commission will examine my suggestion as soon as possible.

It is expected that in the future, green collar workers will outnumber workers in many other areas of employment. FÁS, the CIF, Enterprise Ireland and all other partners must come together and create awareness of this new job creation opportunity. I support the introduction of grants for home owners to invest in improving the energy rating of their homes by installing energy-saving solutions. The VAT return to Exchequer would support any investment in the future.

The Government's greener homes scheme, operated by Sustainable Energy Ireland and costing €27 million over five years from March 2006, saw 20,500 people apply for grants to install wood, solar and thermal heating. So far, 12,300 installations, including 4,300 wood pellet boilers, 4,700 solar thermal units and 3,300 heat pumps, have been approved. Thus, there is considerable opportunity within the present market. I am glad the Minister has ensured that the 2008 programme is in place and that we can ensure we deliver social and affordable housing to the people who require it.

**Senator Feargal Quinn:** I welcome the Minister of State, Deputy Power. I found the speech of the Minister of State, Deputy Finneran, very impressive. The concept of the policy statement, which is based on delivering homes and sustaining communities, is well worth while. There was a vision behind it when it was published last year. The objective, as the Minister of State said, is the transformation of the housing sector.

I will concentrate on three things, one of which is funding. A funding crisis has arisen because of a glut in completion of Part V housing units, which are units built by developers to meet their obligations to provide 20% social and affordable housing in each development and which



are then sold to local authorities. The number of Part V completions has soared and, with it, the bill payable by county councils. This has drawn funds away from traditional projects undertaken by housing associations, charitable groups, and various other trusts. A Department spokesman said the Part V housing scheme gets priority because the houses are already built. Another factor prompting councils to divert money to Part V housing is believed to be the fear of litigation if developers are not paid.

Some 700 new homes were planned for St. Michael's estate in Inchicore in a deal worth €265 million, at least 220 of which were social and affordable housing. Other projects included the redevelopment of O'Devaney Gardens off the North Circular Road, with 860 homes, worth €180 million, and 360 apartments on Dominick Street, worth €150 million. Another 179 units were due to be built at the convent lands on Seán McDermott Street, of which 20% were to be social and affordable housing, and another 162 units on Infirmary Road, including 130 social and affordable homes. I am sorry for giving so many figures. However, the funding for voluntary social housing in Dublin has been suspended because Dublin City Council has stated that it has used up its annual allocation under the main scheme operated by the Department of the Environment, Heritage and Local Government. A spokesman for the Department said the council had reached its allocated borrowing level for the year and, as a result, no further social housing projects would be sanctioned under the scheme. The result was that McNamara Construction decided not to continue with the construction of five vital public private housing projects in Dublin. This is a disaster for inner-city Dublin, as the Minister of State knows, and not just for the estates that were to be regenerated. The rebuilding of St. Michael's estate in Inchicore, for example, involved not only the provision of private and public housing, but also a library, a civic centre, a health clinic and a shopping centre. The regeneration schemes held out the promise of an end to social segregation and the sink estates that had grown up over time in the city's social black spots.

The old, discredited model of segregated social housing has not been replaced by a working alternative. There are currently 44,000 households on housing waiting lists, as mentioned by the Minister of State, and some have been there for up to a decade. The collapse of these public private partnership schemes highlights the continuing failure of the Government to tackle the housing crisis. This is an important point and one that needs attention. The situation has come about because of success rather than failure, but that is the problem. It is a challenge for the Government.

I also wish to speak about Government support for non-housing parts of the Irish economy and tax measures to cool overheating in the housing market. Now that the housing market has slowed, Ireland is again out of sync with most of Europe, with the drop in house construction depressing growth. Analysis of the Irish market by Dr. Alan Ahearne of NUI Galway for Bruegel argues that we should not follow the example of Spain. He report states that "some building firms will collapse" and warns that the Government should not intervene as it did in Spain, where the state has ordered big social housing projects. Housing-related activity, which has driven strong revenue growth, will no longer boost Government coffers. The Government should now support non-housing parts of the economy, such as infrastructure. According to some estimates, infrastructure deficits are costing Irish businesses €2.5 billion in lost profits. The Government should also provide incentives for people to improve insulation in their homes to help the construction industry.

Dr. Ahearne has argued that since governments in the eurozone cannot change interest rates in response to overheating housing and credit markets, they must learn to use other mechanisms, such as tax, and intervene early with tax measures to cool overheating. The report by Bruegel suggests that mortgage interest relief should have been eliminated and capital gains



[Senator Feargal Quinn.]

tax introduced on the sale of primary residences to dampen the boom that began in 1996, and argues that a tax on interest payments for flexible-rate mortgages might also be called for. We must bear in mind the problems experienced in Spain and avoid intervening as the Spanish Government has done. Such measures may worsen the problem of extra inventory of unsold houses and prolong the adjustment process. It is a lesson to us that we must take care. If we look at what happened in Spain we can appreciate the problems that were created there.

Senator Ross is not here to comment on estate agents and he shows no love for them, though he has become one. Half of Spain's estate agents have collapsed in the past year due to a slowdown in the once-booming building sector. The figures amaze me. Of 80,000 that operated at the beginning of 2007, only around 40,000 have survived and some 100,000 employees lost their jobs, according to the Superior Council of Real Estate Agents, a nationwide group there.

My final point relates to the glut of housing in Dublin and the lack of accommodation for those who need it. In some counties, up to 30% of housing units lie empty. In Dublin, developers were aided greatly by Dublin City Council planners who raised the height limit in the city and permitted the construction of multi-storey blocks. One result is a glut of housing that is not needed, is not occupied and is in the wrong places. Another result is a dearth of housing that is urgently needed and which is suitable for families to live in. In Dublin alone, 2,000 households are trying to break out of homelessness each year, yet places can be found for just 300 of them. Why are the people who need housing being left behind in the light of such scandalous waste of unoccupied accommodation in the city?

These are some of the challenges that face us and there are no easy solutions. Part of the problem has emerged from the success of past efforts; that is to say, the public private partnership was so successful that we have used up our allocation. This is a challenge that is worthy of debate and concentration. We face up to this and set objectives, as the Minister did so well in the original document. On delivering homes in sustainable communities he said "the policy statement set out a vision to guide the transformation of the Irish housing sector over the medium term by delivering more and better quality housing responses and by doing this in a more strategic way, focused on the building of sustainable communities". The vision and the objective here are perfect. Disability and those left behind due to disability are included in the vision and it was interesting to read this because I was not aware of the amount that had been done. The efforts being made are very worthy.

I support the efforts and the objective but let us ensure we can achieve this in the short term, not just the long term.

**Senator Dan Boyle:** I have been critical of housing policy in the past and derive no joy from saying that the Irish economy has been overly reliant on construction. This is more the case here than in similar economies. In future our economy must find a sustainable place for construction in economic activities. We continue to have difficulties that must be overcome in the short term, many of which have been outlined by Senator Quinn. We have a long local authority social housing list and there are many empty properties across the country. The ability of developers to initiate new developments has been compromised by a lack of capital that stems from an inability to sell the vacant properties already in their possession. For the same reason, financial institutions that provided capital to such developers are either unable or unwilling to give further impetus to allow developers initiate new projects.

On all these grounds, a possible answer to the social housing situation would be to use all these negatives to create a virtuous circle. We may need a special, tripartite convention on housing consisting of the Government, through local authorities, financial institutions and the

Construction Industry Federation. This could help convert as many as possible of the existing vacant properties into social housing units. Agreement could be sought with the financial institutions that payment not be immediate but made on a deferred time basis. If we managed to do this we would remove a monkey, in the form of the financial institutions, from the backs of developers and we would offer financial institutions guaranteed payment at an agreed time, though not necessarily in the immediate future. We would also provide local authorities with the ability to speed up a social housing programme at a time of constrained public expenditure. The housing situation is such that an innovative approach is demanded; we cannot do things as they were traditionally done or as we allowed happen during the Celtic tiger years. We must knock heads together to ensure that the contradictions that exist in housing policy, as outlined by Senator Quinn, do not continue into the future.

Other opportunities also exist because of the lack of effective housing policies in the past. Some 50% of our housing stock was built no later than 1990 and most of this does not meet the type of building standards, especially in terms of energy efficiency, that we see in more enlightened countries with policies on housing energy ratings that are superior to ours. Through our new building regulations, we have put in place the first phase of a new Government policy that obliges new housing to reach a 40% standard. In two years it is intended that this will rise to a 60% standard. It will ultimately reach an 80% standard and the concept of passive housing will apply in a short amount of time.

This does not overcome the fact that much of the country's housing stock comes nowhere close to the 40% standard. Much work must be done on this, through the provision of adequate resources. As has been argued, with the co-operation of the construction industry, a large-scale national insulation programme should be put in place that involves those who have experience in the industry. This programme would look at existing building stock and ensure that money that is being leaked, literally, by householders due to ever-rising energy costs can be saved. The country would benefit through less importation of fossil fuels and householders would benefit through greater control of daily and weekly expenditure. As a result, inflation should be curtailed.

These seem like simple solutions but, like all simple solutions, there is bound to be a fly in the ointment somewhere; a person in a Department is bound to say "we would like to do that, but". However, with the situation as it is and resources as they are, it is not good enough to say that the way things were done in the past will improve things in the future. What was done in the past provided a short-term fillip but never a long-term answer; it was always going to be far from sustainable. Our housing policy must be turned on its head. As Senator Quinn said, we must provide the appropriate number, type and location of housing units. Historically, through the lifetime of this State, on all of these levels, we have failed. We have never planned effectively for the type of housing that was needed by people — housing that would conform with their lives.

This matter should be seen as a series of difficulties that we now have, in terms of the contradiction between a dearth of housing and a surplus of housing and the difficulties caused by the credit crunch for the construction industry. However, it should also be seen as a huge opportunity to put in place a housing policy that will sustain this country further into this century and meet the needs of its people.

We have lived under a number of difficult constraints and historically, due to our past as a colonised country, we have put a great value on land. We have achieved among the highest levels of house ownership in the world but this has seen families put aside much income towards the acquisition of property. Such an approach does not occur in other countries and I do not

[Senator Dan Boyle.]

believe our future housing policy must be based on the idea of ownership. This would represent a huge cultural shift in our country. We have a very small private rental sector and it remains so due to a combination of a lack of appropriate incentives for people to provide appropriate property for rent and the lack of proper policing to encourage people who would like to rent to do so. If we get that balance right, we will be doing a great service towards tackling the ongoing problems associated with housing.

The third area concerns social housing, housing agencies and housing co-operatives. These comprise a very small sector of our housing market, yet they comprise the area that is most innovative in providing housing in the types of arenas I have described.

Will the Minister of State pay particular attention in his response to the issue of homelessness in light of the current economic climate? It comprises an important part of his brief. We should never lose sight of the fact that spending money on homelessness is never false economy and that cuts made in this area in the name of economy always represent false economy. The reasons people are homeless are many and complex and have as much to do with mental illness and substance abuse as they have with the economy itself. I appeal to the Minister of State, given the day that is in it, to make efforts, with the support of the Minister and the Department, to ensure spending in this area is protected.

**Senator Dominic Hannigan:** I welcome the Minister of State to the House. I am glad the Leader has facilitated this debate today because housing is of great concern to people throughout the country, not just Members of this House. The housing industry has, until recently, been the bedrock of the construction industry and has played a large part in the creation of the Celtic tiger.

Since 1997, over 600,000 new houses have been built. In other words, one third of our housing stock has been produced since then. Over half of these houses are in new housing estates dotted around the country, mostly in urban areas. Many of these estates were poorly planned and, when they were built, the necessary infrastructure, including playgrounds and schools, was not put in place. I know of many estates with no footpaths around them. While we must ask why this was allowed to happen, we must recognise there seems, at last, to be an improvement on foot of the new planning regulations that affect new estates. Furthermore, given the new building regulations, it is hoped new estates will be planned properly, sensitive to environmental requirements and more energy efficient.

I will focus on two other areas, the management of houses in housing estates and the affordability of housing in general. Outside Dublin, the management of estates comprises a major problem. There is no parks department in many counties, including my county, County Meath. Consequently, there are no management rules or regulations and it is not clear whether it is up to the council or the residents to take care of the common areas.

Recent advice notices from the Departments call for a faster process for taking charge of estates. However, in many council areas there are many unfinished housing estates. The developers have walked away and considerable work still needs to be done. The bonds are not sufficient to cover the cost of the work. It is one thing for the Minister to tell the local authorities they should take charge of the estates, but it is not clear where the additional money will come from. It must come from somewhere. Will the Minister of State make a statement on how this will work in practice? In County Meath alone, efforts are being made by residents of scores of estates to have councils take charge of them.

Some estates have their own management companies. In this regard, we are told legislation is due shortly that will specify how to deal with the issue of management companies. It is badly needed and will not be before time.

Issues arise regarding the affordability of housing, in respect of which many people should have had options over recent years. Unfortunately, they have not had such options and the Government's track record in this regard is abysmal. Part V of the Planning and Development Act 2000 was meant to result in 20% of all new housing developments being made available for social and affordable housing. However, the ratio of affordable to social housing differs according to the area in question. In east Meath, for example, 17% of the required 20% is supposed to be affordable housing while 3% is supposed to be social housing. This ratio varies throughout the country. The requirements in this regard should have generated approximately 30,000 homes by 2006 but only 3,000 materialised.

There is a straightforward reason for these developments. The Government changed the law to allow developers to give money to local authorities *in lieu* of houses. The local authorities were supposed to use this money to purchase or build houses but this did not happen. The money disappeared, be it on day-to-day expenditure or other schemes that were the flavour of the month. I do not know what it was spent on and will not speculate but it is clear that, in the vast majority of cases, the money was not used to increase the local housing stock.

Our analysis suggests approximately 6,000 homes should have been produced every year by local authorities since the enactment of the Housing and Development Act 2000. This has not occurred and we need to tighten up in this regard.

The social housing list, which is due to be updated later this year, is of concern. Given the current economic decline, it is probable that the list will grow longer. However, this presents an opportunity to build more houses and kick-start the construction industry. The last detailed publication in this regard was published by the Department three years ago, at which time it was complimenting itself on the fact that the number on the housing list was only 40,000, which represented a 10% decrease over the preceding three years. I am not sure this was a cause for celebration because the figure had increased by 50% in the preceding ten years, namely, from 20,000 to 40,000. This is creating problems nationally. In Navan, for instance, there was an increase of 6% in the three-year period. In Drogheda Borough Council there was an increase of one third in just three years.

Since we are beginning to experience an economic downturn or an opportunity for savings, the unemployment rate is increasing, as is the cost of living. It is therefore clear that homes will be harder to pay for. Those with large mortgages will see an increase in repayments, as will those who rent their homes.

The rent allowance structure requires reform. One must ask whether the current rent allowance system distorts the number of people actually seeking housing. Anyone who ends up availing of a jobseeker's allowance on becoming unemployed might seek a rent supplement to get him through tough times. The number in this category is very likely to increase but it is necessary for anybody seeking rent allowance to get onto the housing list first. Therefore, it is of concern that this might distort the number actually waiting for social housing.

Almost 14,000 of the people on the housing list are receiving supplementary rent allowance. However, anyone who takes up full-time employment will immediately lose this benefit, regardless of how small his or her income. In many cases, it is more economical to stay out of the workplace and continue receiving rent allowance. The allowance can serve as a disincentive to taking up employment and is therefore almost like a poverty trap. The rent allowance system is in need of real reform, for various reasons.

[Senator Dominic Hannigan.]

One of the most important housing supports is outlined in the Social Housing (Miscellaneous Provisions) Bill 2006. This will enable those who have benefited from social housing for a long period the option of buying their homes from the local authority. This is an important step in the development of housing policy and the sooner it is taken, the better. However, the Bill has been delayed for two years. It did not materialise in 2006 or 2007 and, although the Taoiseach promised it would be considered before the summer recess, in two days, there is no sign of it. Will the Minister of State inform us when it will be published?

Some improvements have been made to the planning and building regulations governing new housing developments but we need to do more, particularly regarding the supply of affordable and social housing. The downturn in the construction industry could be addressed by investing more in social and affordable housing. This, in turn, would reduce the numbers on housing lists.

**Senator Fiona O'Malley:** I am glad to be present to speak on housing. To answer Senator Hannigan's question, the Minister of State said in his speech the Bill to which he referred will be submitted to the Government for approval shortly. I do not suppose it will happen within the next two days but it will be available soon.

This debate covers a wide area, including housing provided by local authorities, the private rental sector and the housing market itself. The housing sector has been subject to considerable change and, as has been alluded to, much of the national housing stock is very new. I caught a glimpse of a television programme last night in which a man who was building his own house to a very high environmental standard discussed the difficulties involved. As this was a new-build once-off house, it was easy for him to do it. He spoke of his CO<sub>2</sub> emissions and how his bill for quite a substantial house would be approximately €120 per year. He did not require a boiler, chimney apparatus or central heating because he intended to use solar panels or whatever. It was a tremendous achievement. He made a point, with which I am familiar from work I have done in this regard, that were the Government to decide to opt for higher insulation standards, zero emission houses would be possible. The Minister of State's speech referred to building sustainable communities, which I consider to be an important second part of the process of building houses and planning for housing. In times past, the imperative was to put up houses because people required housing. However, greater thought is being given at present to the types of community to be created. It is not simply to do with housing estates on their own as one also requires integration and the provision of other services, particularly transport.

In addition, one also must consider the quality of the houses that are being built. The British Government is seeking to have passive houses with zero carbon emissions by 2016 and I wish Ireland would do something similar because it is possible. I am glad the Government finally introduced higher insulation standards recently as they will be of tremendous benefit. However, those who bought houses that were built in the 1980s, 1990s and the early 2000s now are subject to crippling fuel bills because of the lack of insulation. People have been left with a terrible legacy in this regard and the Department should focus on a zero carbon project. While I am sure the Minister for the Environment, Heritage and Local Government, Deputy Gormley, is quite aware of this issue, it also is important to consider it from the perspective of energy security and trade to avoid increasing bills in respect of energy and electricity demand.

Another issue I wish to discuss concerns the changes that have taken place in areas called strategic development zones. I visited Tallaght and Adamstown recently to view progress there and this is the manner in which development should be carried out. All new developments should be modelled on the Adamstown model because it is working. The bus stops, train station



and other facilities have been put in place before the arrival of the people, which is as it should be. One can see where the schools are located and people can buy into a sense of community. In many housing estates that have been erected, however, in both cities and smaller centres, people merely buy rows of houses that have no services, never mind the provision of schools and other facilities, and in which one is completely dependent on cars. The strategic development zone model is good and should be rolled out to ensure all developments take place in this manner in the future.

When a member of Dún Laoghaire-Rathdown County Council, I chaired its strategic policy committee on housing. Senator Quinn has alluded to an issue that I found to be extraordinary, namely, the tension that exists between the council and the voluntary housing sector, which is a pity. What difference does it make who intends to build the houses or whose money they receive to build them, as long as they do so for those who are on a housing list and who have a housing need? It was most extraordinary that the council should become iffy about granting permissions, facilitating or allowing the voluntary sector to expand. That was a pity because there is a great tradition in Ireland of the delivery to a high standard of houses by the voluntary sector in respect of both building and architectural standards. This tradition must be embraced to a greater extent and it is regrettable that such tension exists between the two housing providers.

I wish to mention the housing market itself, to which the Minister of State also referred. One is damned if one does and damned if one does not in this regard. Two or three years ago, everyone was complaining about the rate of increase of house prices and how they were beyond the reach of most people on an average industrial wage. This certainly was the case if one lived in Dublin, which was not a desirable position. At present the reverse is true and the slowdown that has occurred is being described as a disaster. People should get a grip on matters. A cooling down of the market probably is no bad thing because it has meant that houses have reached a sustainable level. When increases were flying ahead, people began to use their homes in a speculative way, which is not the purpose for which most people buy their homes. Even talk of the number of people who have gone into negative equity is somewhat theoretical because I imagine that 99% of those who buy homes, do not do so with a view to selling them off within two years to try to make a killing. They make such an investment for at least a five-year period, after which changes in their lifestyles or family lives may dictate they will sell and move on. Members should keep a perspective in this regard.

I wish to make two further brief points. The first pertains to housing need and the number of people who have refused housing as reported recently in the newspapers. This is extraordinary because housing need should show that someone is in dire straits without a house or that a need exists. However, such a high level of refusals suggests this matter must be reconsidered.

My final point concerns homelessness and I agree with the point made by Senator Boyle that homelessness is not simply the absence of shelter. It is a complex issue that needs all the money and resources available. Anything that is withdrawn from that sector will set back matters and Members must be highly cognisant of the homelessness issue.

**Senator Nicky McFadden:** I welcome to the House the Minister of State at the Department of Communications, Energy and Natural Resources, Deputy Seán Power. I am sorry the Minister of State at the Department of the Environment, Heritage and Local Government, Deputy Michael Finneran, has left the Chamber because he paid a welcome visit to Athlone last week in respect of a housing estate that is in dire need of regeneration and I wished to commend him on his visit. Perhaps the Minister of State will pass on my thanks to him.



**Deputy Seán Power:** I might make a visit there myself.

**Senator Nicky McFadden:** The Minister of State would be more than welcome.

I join with Senators O'Malley and Hannigan in raising my concerns regarding homelessness. Representatives from the Simon Communities of Ireland are due to appear tomorrow before the Oireachtas Joint Committee on Social and Family Affairs to make a presentation on all matters pertaining to housing. I am particularly concerned about homelessness as I am spokesperson for social and family affairs. As for the definition of the word, "homeless", it does not necessarily mean one does not have a house. That is not the only reason as one can be sleeping on someone's couch or be in emergency accommodation and still be homeless. It does not pertain simply to those who are sleeping rough and Members will concur that thousands of people are homeless.

This is a value for money issue and the Minister of State mentioned a figure of €53 million. While this constitutes an enormous sum of money, a great deal of it is being spent on emergency accommodation and people are living in appalling long-term emergency accommodation. I believe proper homes must be found for such people as it is a human right to have a proper home and to live in comfort with one's family. I encourage those Members of the Oireachtas who will be present tomorrow to listen to what the Simon Communities of Ireland delegation has to say.

The Midlands Simon Community has a resettlement programme that is not about the provision of hostels or homes for the homeless. It is about helping people, who are addicted or down on their luck, to sustain a living. It is about helping them to budget and to get on the property ladder by being able to have a house. Often such people do not have an address and it is almost impossible for them to register with the local authority. The Simon Community, in its resettlement programme in the midlands, is doing Trojan work. I am acutely aware of the work it is doing and I commend them on it. Homelessness is not just a Dublin issue, it pertains to the entire country.

The second issue I want to address relates to affordable housing. In my role as a county councillor before I was elected to the Seanad, I made a considerable number of representations on behalf of people wishing to avail of the affordable housing scheme. Sadly, the number of units available this year in my area of Westmeath is 97, 45 of which will be under the 1999 scheme where the local authority build the affordable housing. It is envisaged that will not happen in future. There were only 54 under Part V. In an environment where there has been a considerable amount of house building, the amount is so small that I question the direction of our affordable housing policy in the future.

I have a suggestion for the Minister which I would like to put on the record of the House. There should be negotiations with developers in relation to all of the vacant houses which are on the market for a number of months and have not been sold. It is time for councils and county managers to re-negotiate with developers and perhaps clear the backlog of people who are trying to get affordable housing. Athlone is a gateway town and, therefore, we are trying to double our population. There are 600 people on the social housing list in that area. Perhaps the councils around the country could enter discussions with developers who have these gluts of houses. It might counteract the cutbacks and provide greater value for money for local authorities.

This year we, in the Westmeath area, have €600,000 less in the budget for essential repairs grants and disabled persons' grants and we have made an application for further funding. Only yesterday I was approached by a lady whose application had been approved and who had been in contact with the council only to find that there is no money in the coffers. She has borrowed

the money for a chair lift for her severely handicapped child. She is also caring for her mother who has Alzheimer's disease. The lady is sitting there with a lender shouting at her and no money forthcoming from the local authority.

I am also aware that some local authorities means test their grants for disabled persons. Means testing is a good idea and it should be uniform throughout the country. I am aware that a means test applies in County Waterford, for instance, and I wonder is there a likelihood that a means test will apply all over the country. It is outrageous that somebody who is extraordinarily well off can get a grant to do up his or her house.

The Minister of State, Deputy Finneran, spoke about housing policy and sustainability. I was shocked to read the article in *The Sunday Tribune* on elderly persons and pensioners having to choose between food and fuel. Some of these pensioners' houses are so old that they have no insulation. Senators O'Malley and Hannigan both referred to sustainability. I am aware of a number of elderly pensioners who cannot afford to heat their houses and who, when they do, must go without food. That is a harsh reality. We need to investigate ways of helping the elderly. There are ways of insulating such homes and installing new windows, etc. I would encourage the Government to do this.

The Minister of State, Deputy Finneran, also spoke about a disability strategy and an older person's policy. I await both of those policy documents. He did not mention a budget for either. How much money has been allocated for this.

Anti-social behaviour is an issue, especially in local authority housing estates. We all have spoken here about the Social Housing (Miscellaneous Provisions) Bill. Will there be any reference to anti-social behaviour in that Bill? Anti-social behaviour, due to drugs and alcohol, is the scourge of local authority housing estates. I ask that this area be investigated and legislation in this regard introduced.

**Senator Brian Ó Domhnaill:** I welcome the Minister of State, Deputy Seán Power, to the House.

The Minister of State, Deputy Finneran, referred to the proposed legislation which it is hoped will be published soon. The draft housing Bill, which we hope will be presented to Government shortly, will provide a legislative footing for the delivery of homes to many people, particularly those on local authority waiting lists. I welcome a number of areas which are being addressed under the Bill, particularly the rental accommodation scheme. This scheme is an excellent interim measure for a person who wants a firmer accommodation footing than dealing directly with a landlord. It should be rolled out nationally and the legislation put in place. Local authorities are availing of the scheme, but often in urban areas only. We must examine that. If it is available for people who live in urban areas, it should be also available for people who live in rural areas.

On expanding paths to home ownership, during my clinics at the weekend I met a number of people who were applicants on the housing list. The housing list is moving slowly in Donegal and these people suggested that if they were successful in their applications for mortgages, they would build houses themselves. If people on the housing list are taking steps to take out mortgages, we should support them in doing so by providing an incentive in addition to the mortgage, whether it is obtained through the local authority or from the bank. Even though bank interest rates are rising, the banks' mortgage rates are still lower than the local authority mortgage rates. Perhaps that also needs to be addressed.

I have been reading a report, which was compiled by DKM Economic Consultants on behalf of the Department of the Environment, Heritage and Local Government and which was pub-

[Senator Brian Ó Domhnaill.]

lished in May 2008, entitled *Construction Industry Indicators: Issue 13*. There has been much debate, particularly in the past few weeks, on the consequences of the deterioration of the housing market, not only for those purchasing or selling houses, but also for the economy. This report outlined that there were three specific areas in the construction sector — residential construction, general construction and civil engineering — and that the latter two were emerging and growing. Incidentally, the first quarter of 2008, according to the report, saw a volume of office space built which was on a par with that built in 2006. It shows that, away from the housing sector, the construction sector is developing.

Today, however, we are concerned with the housing sector. While houses may be more affordable to people's budgets, the difficulty for many is that they cannot get their hands on the money they need from the financial institutions to purchase a house. This is a major difficulty. Even though the price of houses has dropped, people can not obtain mortgages because of the banks' lack of confidence in the housing sector. That is a matter that would need to be addressed in the overall context. The banks supported people when everything was going well and they made a good deal of money. However, now that there is a downturn they are not helping the people who wish to help themselves. At present, the person — or the young couple — who cannot get a mortgage from the bank goes onto the local authority housing list. I have seen this at first hand in the past few weeks. It is affecting the housing lists, driving up the number of applications and this needs to be addressed. I welcome that the National Development Plan for 2007 to 2013 will see a doubling of the housing budget spend. The budget in the last development plan was some €10.5 billion, which was spent on the local authority, voluntary and the affordable housing sectors. This budget is being doubled to €21 billion for the period 2007 to 2013. This figure includes €3 billion in supplementary welfare allowances or the rent supplement scheme.

During my time as a member of Donegal County Council, one of the key issues was providing affordable housing to people, especially to those in rural areas. Local authorities, including Donegal County Council, are not doing enough to promote the development of the specific instance cottage. A specific instance cottage can be built on a person's site in the countryside at a cost approximately 35% to 40% lower than a scheme house in a town. The local authority or the Department of the Environment, Heritage and Local Government does not have to purchase the site. The site is available from the applicant and the house can be built at a very cost effective rate. The Department should promote the development of specific instance cottages to a greater extent and should advocate this view with the local authorities in order that people who wish to have a local authority specific instance cottage built on their lands may do so. At present the guidelines state that a single applicant is prohibited from obtaining a specific instance cottage. He or she must apply for a scheme house, and this needs to be addressed as well.

I refer to the private house grants for older people and those with a disability. This year there was €71.4 million allocated under the scheme. Many local authorities have been given excellent allocations under this scheme, which was announced on 21 May by the Minister of State at the Department of the Environment, Heritage and Local Government, Deputy Michael Finneran. I welcome the funding, under which some 20,000 people have obtained grant aid since 1997. However, the difficulty appears to be that although the funding is available to local authorities there is a backlog of applications. This applies not only in my own county but in other counties as well and it has been brought to my attention by several local authority members. The reason for the backlog is that local authorities do not have the 20% matching funding to pay out grant aid, which needs to be addressed. I suggest the Department of Envir-

onment, Heritage and Local Government should make contact with every local authority to find out the number of applications in the backlog and to determine, in conjunction with the local authority, whether a once-off allocation could be given to clear that backlog by reducing the 20% requirement.

**Senator Ivana Bacik:** With the permission of the House I will share time with Senator Pearse Doherty.

I welcome the Minister of State to the House and I welcome the opportunity to have a debate on housing. It is very important to have this debate. I read with interest the statement of the Minister of State, Deputy Finneran, and I am pleased he has addressed in such detail the issue of social and affordable housing. I wish to take issue with one point the Minister of State made. He stated there were some difficulties with the PPP projects of regeneration, especially in inner city Dublin. This is the understatement of the year. Having spoken with the residents of St. Michael's Estate, Inchicore, on previous occasions I know how much consultation took place and the tortuous nature of the process to finally get an agreement. I am sorry to see the agreement collapse and it is an indictment of the way the Government has been dependant on private developers and the construction sector. It is not good enough to blame international factors and the so-called credit crunch, as the Minister of State does, when in fact the problems resulted from a squandering of the boom and an over-reliance on the construction sector by this Government. The problems were entirely of its own making.

How does the Minister of State propose to offer adequate protection to tenants in the private rented sector? Although there have been some improvements, notably the requirement that landlords register, there is still evidence in this city of appalling conditions in flats and apartments, especially where old buildings have been inadequately converted. Another issue raised numerous times is the matter of owner occupiers and especially those occupying apartments who deal with management companies. Have such people any recourse if management companies clearly abuse their position of power?

**Senator Pearse Doherty:** Gabhaim buíochas le Seanadóir Bacik as ucht am a roinnt liom. Tá mé iontach sásta deis a bheith agam labhairt ar an ábhar seo, cúrsaí tithíochta, sa Seanad inniu. The issue of housing is one of the most basic and essential living requirements and a core human right, which has been consistently neglected by the Government. The Government admits good housing is a bedrock of communities, but it will not admit access to adequate housing is one of the most fundamental human rights. This human right is codified in the Universal Declaration of Human Rights. Irish republicans have always viewed the ability to rent one's own home fairly and with fixity of tenure, or outright ownership, as a social good and as part of the birthright of all Irish people. The aspirations and the just demands of the 19th century land league and the 20th century civil rights movement have been the touchstone of our struggle over generations and remain today in the 21st century.

There is a major crisis in housing throughout the State. This crisis has emerged unhindered as a result of the policies of the Government. Despite what is happening in the property market, home ownership is spectacularly out of reach for those on low, or even average, incomes. There is a shameful lack of social housing for the 44,000 households lingering on the social housing waiting lists of local authorities. The misnomer of affordable housing continues to depend on the will of the developer and on Part V of the wholly inadequate Planning and Development Acts. Rents are soaring in the private sector, which is made up of low quality, high cost accommodation. The Government is happily subsidising private landlords to house people in receipt

[Senator Pearse Doherty.]

of rent supplement. These people should be living in social housing and have a human right to be housed.

The current system has been clearly designed to benefit a certain type of person, including the developer, speculator, landowners, estate agents, management companies and, of course, the establishment parties they sponsor. This system may serve those parties well, but it is clearly failing the housing needs of the population. Policies have been fundamentally inequitable and unbalanced in several respects and must change. It is immoral that the over-emphasis on the financial gains from housing at the expense of its social role has been allowed to continue.

Sinn Féin has a realistic vision for housing based on its understanding of housing as a human right. We call on the Government to share this understanding. There must be a commitment to fully and finally end homelessness in Ireland. Unfortunately, the Government is not inclined to establish a system which would monitor the exact flow of people in and out of homelessness on an annual basis, let alone house them. It is clear now, in July 2008, that the Government is unlikely to meet its own commitment to end long-term homelessness in the State by 2010. This is nothing more than a disgrace. There are no plans to fast-track social housing for those most in need. There are no plans to introduce and implement a plan outlining funding commitments and targets for any new housing strategy, despite previous ministerial commitments to do exactly this. Sinn Féin calls on the Government to accept Article 31 of the European social charter on the right to housing and to hold a referendum to amend the Constitution to include a fully enforceable right to adequate housing as a matter of urgent priority.

**Senator Joe O'Reilly:** I wish to share time with Senator John Paul Phelan.

I welcome the Minister of State. There has been too much reliance on the private housing sector as the engine of economic development and a lack of foresight on the part of Government in not anticipating the current lack of need for housing. Not only did the Government not anticipate this but it failed to face up in time to the fiscal realities this presented.

That said, a critical recommendation to the Government is that people who will be dislocated in the private housing sector should find employment in construction. There is no logic in putting people on the live register, with its involved costs and the loss of direct and indirect taxation to the economy.

I will make a few brief points. The affordable housing scheme could be very well exploited now to create jobs in construction. This scheme is the most revolutionary, radical and wonderful scheme we have had in recent times. If people can buy an affordable house at an economic price — basically the price of the site and construction — a family would have a viable chance to buy a home. The potential of affordable housing, as both a method of absorbing construction workers and giving cheap homes to people, must be fully exploited. Immediate efforts should be put in place to increase the number of affordable houses produced annually as there will be an uptake from people.

It is interesting to look at the statistics in that regard, which show that every year since 2004 there has been an increase in the uptake of affordable housing, right up to 1,600 last year. The need for affordable housing will be even greater in the present economic climate and because banks are refusing mortgages. Significant potential lies there.

The shared ownership scheme could be made more user friendly. Prices are falling objectively but more realistic figures could be set around the shared ownership scheme, which has potential.



There is no question but that the big challenge now for local authorities is to provide housing for single people because of the changing structure of families.

**Senator Jerry Buttimer:** Hear, hear.

**Senator Joe O'Reilly:** That must be a current challenge for the local authorities and I hope it can be addressed by the Minister. There is a specific need among single people. As we all know from our clinic work, many single males come to us seeking housing.

**Senator Jerry Buttimer:** Hear, hear.

**Senator Joe O'Reilly:** It is a major issue. There is much potential to absorb construction workers and people who may be dislocated from the building schemes into this area. The process of insulating houses has much potential to give employment to dislocated construction workers and should be taken up. It may solve the CO2 emissions problem at the same time.

**Senator John Paul Phelan:** I thank Senator O'Reilly for sharing his time. I do not wish to repeat what has been said by several speakers but there are a couple of issues I will mention. I welcome the opportunity to have a debate, which I have sought for approximately three months. It is fitting for us to have it before the Houses rise for the summer.

I agree wholeheartedly with the comments of Senator Ó Domhnaill earlier when he referred to the role of banks. The reality is that for the past ten years the banks have creamed it in terms of the property market here. They are now responsible for a large part of the problem in the property market in terms of the difficulty younger people have in getting mortgages. I join the Senator's call that the banks adopt a more reasonable approach for the future to ensure we do not have an even worse problem in the housing industry.

There areas I will briefly touch on, including Senator O'Reilly's point regarding single people. The Minister of State comes from an area like my own, a rural part of Ireland. On several occasions I raised in the last Seanad the number of single men in particular who are still housed in prefabs in rural locations throughout the country. It is shocking, particularly in post-Celtic tiger Ireland. They are a much-neglected group. As we look to a time when money will be tight, one wonders if the problem will be resolved in the immediate future. Not enough has been done and I urge the Minister of State to leave a mark in that area in his time in the Department.

I disagree completely with the earlier comments of Senator Boyle. It is aspirational to say we could move away from a housing system based on ownership but the reality is that will not happen. In the Irish context, people want to own the roof over their heads. The Senator mentioned the colonial context and the wish to own land comes from the fact that for hundreds of years, Irish people did not own their houses and land. There is a very strong attachment between Irish people and property, which will not change. We must focus our energies on a realistic objective rather than a pie in the sky aspiration.

Everybody who wished to examine the industry over the past ten years knew the boom could not continue indefinitely. I was the finance spokesperson for four years in the last Seanad. The current Taoiseach was Minister for Finance at the time and his little helper was a man called Tom Parlon, who is now head of the Construction Industry Federation. The two of them took turns in coming into the House and any time a Senator — myself or other Opposition spokespersons — raised the idea that the housing boom could not continue and we could not base our economic future on an unsustainable boom, we were virtually laughed out of the room.



[Senator John Paul Phelan.]

The chickens have now come home to roost and there does not appear to be a plan B. It is a shocking indictment of the Taoiseach in his time in the Department of Finance that we do not have such a plan. Everybody flagged this problem and he did not put correct measures in place to ensure we had a soft landing in the housing market.

Another area mentioned by a couple of people earlier is that of grant schemes. I agree with these comments. Most of these schemes are successful and many people in my area and throughout the country have availed of them to great effect in installing windows, changing roofs and putting in doors. The problem in Kilkenny is the money for this year's scheme was gone by May. I know there is a possibility of extra funding at the end of the year but it will be wholly inadequate. If we are looking to a future where there will not be as many houses constructed as before and people may not be looking to sell their current house for bigger and better accommodation, more people will look to those grant schemes to try to renovate their houses.

There have also been dramatic cutbacks across the country in terms of housing provided to local authorities for the provision of social and affordable housing. Perhaps the Minister of State will comment on that.

I will miss the Minister of State's response to the debate as I must do some constituency work but I was interested in the part of his contribution where he spoke of the surge in Part V housing units that we are currently experiencing. We are certainly not experiencing a surge in Part V housing units under the Planning and Development Acts in my part of the world. Perhaps it is happening elsewhere but it is not happening in Kilkenny and Carlow. Will the Minister of State clarify those remarks before he leaves?

**Senator Jerry Buttimer:** I wish to share time with Senator Paddy Burke.

**Acting Chairman (Senator Diarmuid Wilson):** Is that agreed? Agreed. Does the Senator wish to split it into five minutes and two minutes?

**Senator Jerry Buttimer:** That is fine. The debate this afternoon is very timely, given that there appears to be an over-reliance on the construction industry. I congratulate the Minister of State on his appointment but he comes into office at a time when waiting lists are growing, we have an increase in vacant dwellings, there is developer-led planning in society and where the banks have given out money *ad nauseam* but are now putting pressure on young people in particular.

Twelve months on from the Minister for the Environment, Heritage and Local Government taking office, he is absent without leave. We have seen no joined-up thinking regarding the provision of social and affordable housing. It is laughable for the Acting Leader to come into the House and speak of a convention on housing. We need leadership from Government rather than more talk and consultation.

I agree with Senator Boyle on the housing stock issue. Many of the houses built are in appalling conditions and must be looked at. Will the Minister of State give a guarantee today that the new building regulations will not be cut as a result of today's Government announcement on spending freezes? How does the Minister intend to reduce the waiting list for social and affordable housing in light of Dublin City Council's decision to suspend its affordable housing panel? A national sea change is needed to make housing affordable and available to the thousands of young people who dream of having their own home.

I concur with the views expressed on single people, particularly men, who are discriminated against by local authorities. Positive discrimination in favour of men is required in the area of social housing.

Senator Butler noted that the 2008 housing programme is intact. He has no cause to celebrate because the current position is an indictment of the Government's mismanagement of the housing sector and economy.

This debate is important because thousands of young people worry about whether they will ever own their own home or secure a council house. The apparatus of State has let them down. I am intrigued by the Minister of State's comment that the level of delivery under Part V is experiencing a surge in 2008. He should show me where in County Cork this surge is taking place. This is Ireland, not Iraq, and there will be no surge in affordable housing. We need to make housing affordable and offer young people an opportunity to buy homes.

Thousands of houses in the private rental sector are in terrible condition and landlords offer any standard of accommodation. Action is required on standards. Who will stand up to landlords and tell them they must deliver or be forced out of the market. Why did the Private Residential Tenancies Board close its public office? Where will people go to make complaints about landlords, the quality of housing or tenants?

The Government's legacy will be one of empty buildings, high rents and high mortgage repayments, problems it has done precious little to address. As Senator Coffey noted, Part V has not achieved its objective. Developers are opting out of the scheme and handing over money to local authorities instead. Local authorities must be able to require developers to deliver housing under the social and affordable scheme. Young people need to fulfil the dream of having their own property. Immediate reform is needed in the area of housing. Nurses and teachers who were once able to buy houses on their own have no hope of securing an affordable home.

On the issue of sustainable communities, the challenge facing us is to provide proper infrastructure, transport facilities and planning and ensure local authorities take areas in charge.

**Senator Paddy Burke:** I thank Senator Buttimer for sharing time and welcome the Minister of State, Deputy Michael Finneran, whom I wish well in his portfolio.

I agree with Senators' comments on banks. The Government should not have allowed banks to offer 100% and 120% mortgages. This was a reckless approach and the Government was equally reckless in allowing the practice because people will get into serious financial difficulties as a result.

Some local authorities are in serious financial difficulties and face problems raising the local contributions required for water and sewerage schemes. In some cases, these amount to 30% of the overall cost. In the current climate, where will local authorities generate such sums for the sewerage and water infrastructure that is critical to the supply of housing? Many communities want extensions to water and sewerage schemes but the local authority is unable to raise the necessary local contribution. Will the Minister establish a fund to assist local authorities which are in this position by reducing the contribution they are required to make? My local authority is experiencing difficulty raising the contribution for several sewerage schemes, most of which are small. It is a sad state of affairs when local authorities are unable for financial reasons to proceed with an extension or treatment unit.

Dublin City Council had to provide an additional €35 million for work done to the Ringsend water and sewerage plant, which was developed through a public private partnership. The Government must examine the operation of public private partnerships. It is unacceptable that

[Senator Paddy Burke.]

local authorities are required to bail out the private partner. Who must pay the piper in such circumstances? It is the business community which pays for water and sewerage services and in many cases the charges are severe. In Castlebar, for example, businesses pay €10 per 1,000 gallons of water and sewerage in what is known as a “water in, water out” system. This is a massive overhead on industries and small businesses, such as hairdressers, restaurants and bars. I ask the Minister to consider alternative funding mechanisms for small future water schemes, which are crucial to the provision of much needed housing.

**Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran):** I thank Senators for their attention and contributions to the debate. I outlined earlier some of the remarkable progress being made in the delivery of the housing policy reforms set out in the policy statement, *Delivering Homes, Sustaining Communities*. I assure Senators I am committed to driving the housing agenda forward positively within the resources available. My focus will continue to be on addressing real needs and achieving this objective in a manner that builds sustainable communities.

Before responding to some specific points raised in the debate, I will refer in more detail to an initiative I mentioned in passing in my opening remarks, namely, the incremental purchase scheme. The objective of the scheme is to make it possible for households with income lower than for affordable housing to start on the path to home ownership. The scheme will be made available to existing and prospective tenants of rented social housing to purchase new local authority housing. For social housing applicants, the scheme offers the earliest possible start on the path to home ownership for those willing and able to undertake a house purchase.

The proposed scheme is based on the development of the shared equity concept, whereby an applicant would be allowed to build up an equity stake in a new local authority house in an incremental fashion in return for purchasing a stake in the unit up front and taking over responsibility for the property from the day of purchase. The scheme will promote mixed tenure and a broader income mix in social housing estates, fostering stability and community commitment from the outset, as well as optimising available resources through a reduction in ongoing management and maintenance costs and additional sales receipts to fund further social housing provision and improvements.

I acknowledge the important role played by the voluntary and co-operative sector in responding to housing need. This was underlined by the unprecedented 2,200 new housing starts the sector delivered in 2007. Its projects are supported through generous capital funding schemes from my Department, which provide up to 100% of the approved cost of permanent accommodation for low income families and groups with special needs. In response to this greatly increased level of output, a record €290 million will be made available to the sector by my Department this year.

Senator Coffey referred to the shared ownership scheme. Evidence available to my Department indicates that the level of take up in respect of this scheme has been low in recent times. That is one of the reasons I am bringing forward the new loan scheme to which I refer. I am of the view that the new scheme, in respect of which we have done a great deal of research, will be a success and will bridge the gap between affordable and social housing.

The Senator also referred to local authorities building their own housing estates. The current view is that the old type of local authority housing estate is no longer desirable and that a mix of private, affordable, social and voluntary housing is required. It is generally accepted that this is the best way to develop housing policy and sustaining communities.

Senator McFadden has an interest in the Battery Heights project, which I visited last week. I have made arrangements for representatives of Athlone Town Council to meet officials of the Department next week. It is hoped that plans in respect of the area will be progressed at that meeting.

Senator Butler referred to better management on the part of local authorities and inquired about houses that are returned to those authorities. I am conscious that in some local authority areas, houses are left vacant and are not refurbished as quickly as might be desired. I intend to have an audit carried out in respect of this matter in the future in order to discover whether improvements can be made. The Senator also requested an audit in respect of empty houses. Such an audit would be important because such houses could be refurbished and rented out to new tenants.

I was somewhat taken aback by Senator Butler's comment to the effect that houses to which improvements have been carried out and which are then returned to local authorities are again refurbished by those authorities. I will discuss the matter further with the Senator when the opportunity presents itself.

Senators O'Reilly, Ó Domhnaill, John Paul Phelan and others referred to single people. Not all local authorities operate in the way outlined in respect of such individuals. Perhaps the Department should initiate an investigation in respect of this matter. There is no reason single men should be discriminated against. The needs of such individuals are accommodated by the housing officers of both local authorities in my constituency. We will investigate this matter in the interests of encouraging fair play for single men.

Senator O'Reilly also referred to the insulation of houses. There are already in place a number of pilot schemes in this regard. We have received extremely positive reports in respect of these schemes. I have a particular interest in the schemes relating to housing for the elderly that are being developed under the partnership and social inclusion programmes.

Senator Ó Domhnaill and others referred to the banks. I do not have any influence over the banks. Prior to becoming Minister of State, however, I served as Chairman of the Joint Committee on Finance and the Public Service. One of the first things I did when I took over the chairmanship of that committee was to visit the United States to investigate what had happened in the banking sector there. I was taken aback to discover that approximately 40,000 brokers in that country had given loans to people who, in many cases, were not in a position to make the repayments relating to them. This is what gave rise to difficulties in the sub-prime market in the US. There is something now in place in that country which is called "jingle mail", whereby people put their house keys in an envelope and send them back to the banks.

The problems with sub-prime lending in the United States arose on foot of a lack of proper regulation. Ireland has a single regulator. In the US there are a number of regulators but there is no regulation whatsoever in respect of brokers. We are fortunate that we do not have a difficulty as regards sub-prime lending. I accept, however, that some people here obtained 100% mortgages. I am not in a position to state the number of these who were first-time buyers.

**Senator Paudie Coffey:** The number of repossessions carried out to date this year in Ireland has risen sharply.

**Deputy Michael Finneran:** I do not have the relevant figures in my possession. Statements regarding the number of repossessions are made on occasion. When representatives of the Irish Banking Federation came before the Joint Committee on Finance and the Public Service a couple of months ago, they indicated that the number of repossessions was extremely small. I

[Deputy Michael Finneran.]

accept, however, that the position may have changed in the past two months. I do not want to make a definitive statement in respect of that matter at this stage.

Reference was made to using prefabs to house single people. Old or dilapidated prefabs would not be appropriate for this purpose. I hope local authorities will give single people the same entitlements as those enjoyed by others. I accept that families with children, couples, etc., are probably given higher priority but single people should not be excluded. I am aware that certain local authorities do not discriminate against single people.

Several Senators referred to Part V housing units. Some of those who spoke appeared to indicate that the Part V provisions are not working or have not contributed. My Department will contribute €500 million to Part V projects in the current year. That money, which is no small sum, is contributing to the building of an enormous number of houses. Certain local authorities may not be as good as others in the context of completing Part V housing units but the Department is certainly providing a substantial amount of money towards the construction of such units.

The Part V provisions do not apply to developments consisting of four or fewer houses, houses built on lands with an area of one hectare or less or developments relating to unzoned lands. A query was made with regard to the taking of money or land in lieu of houses to be built under the Part V provisions. It is estimated that financial settlements account for only 13% of the overall picture nationally in this regard.

Senators Boyle and O'Malley referred to the tension that may exist between those in the voluntary sector and local authorities. The administrative arrangements for voluntary and co-operative housing projects were reviewed and a new and more streamlined set of procedures was introduced in June. The objective in this regard is to devolve, to the fullest extent possible, responsibility for detailed appraisal and technical assessment of projects to local authorities. My Department and I will continue to have overall responsibility for policy matters and the multi-annual budget.

I was also asked about targets. While the output of 3,539 units in 2007 did not reach the envisaged target, namely, 5,000, the overall target for the period 2007 to 2009 is 17,000. The latter remains the target for the period as a whole. The output achieved represents an increase of 10% over the output for 2006, which was 20% higher than that which obtained in 2005. Early indications relating to social and affordable housing completions to date in 2008 show a significant increase over the figure for the same period last year. Statistics for the first quarter of 2008 are being finalised and we will be in a position to publish them shortly.

In regard to the private rented sector, we hoped to have draft regulations for new standards by mid-July but there has been some slippage. I aim to go to Government with a memorandum on this matter after the summer, lay draft regulations before the Oireachtas in the autumn and have a commencement date for the standards in early 2009. I hope I have responded to the queries raised by Senators but if there are any I have not covered, we can respond in writing.

I am confident we have in place a clear and comprehensive housing strategy designed to build sustainable and rural communities. We are delivering responses which address a broad range of housing needs. The needs of more than 18,000 households — a substantial figure — under all the headings were met last year, which is a major input into the housing needs of the people.

The challenge is to maintain our record of achievement into the future. My Department and I are committed to meeting this challenge within the available resources in collaboration with our partners in the local authorities and the voluntary and co-operative housing sectors. I look



forward to returning to the House in the future and to providing further updates on progress in the housing area.

**Senator Paudie Coffey:** I thank the Minister of State for his time. I do not doubt his commitment to addressing the housing challenges. Housing policy should be constantly under review because the environment always changes. The Minister of State mentioned that he was bringing forward some loan equity scheme to help people to purchase houses. Is there a time frame for that? I welcome the fact he intends to do an audit of vacant houses which is important in the context of housing policy.

**Senator Brian Ó Domhnaill:** I thank the Minister of State for his contribution. He is certainly a breath of fresh air in the Department and is taking all the views on board, which is very welcome. I wish him well in his portfolio and look forward to having him back in the House in the not too distant future. From listening to other Senators, some of his suggestions are more than welcome and we look forward to working with him to develop them.

**Deputy Michael Finneran:** The scheme will be published in the coming weeks and it will be dealt with in the next session.

**An Leas-Chathaoirleach:** When is it proposed to sit again?

**Senator Dan Boyle:** Tomorrow at 10.30 a.m.

### **Adjournment Matters.**

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### **Hospital Investigations.**

**Senator Dan Boyle:** I welcome the Minister of State, Deputy Mary Wallace, and thank her for taking this matter. I raise a set of circumstances to which I appreciate she will not be able to respond but which I hope she will pass on to the Department for further consideration.

I raise this matter as a result of the unfortunate death of a young woman in 2005 in Cork University Hospital. Her name was Catherine McCarthy, she was 42 years old and the mother of two young children. She presented at the hospital with an engorged stomach and was admitted to accident and emergency. As she had previously dealt with the hospital, she was referred to a consultant who was not on call at the time and as a result, she was not seen until the following day. Within a very short time — a day and a half — she was to lose her life due to a failure to properly diagnose her condition.

Her husband is a paramedic working at Cork University Hospital. Since her death, he has found it very difficult to get answers or to receive a satisfactory explanation of events as they unfolded. The first port of call would have been the hospital's risk assessment unit. Risk assessment units are common in all hospitals and in the HSE. When an unexplained death occurs, we should ensure an independent body is involved in the investigation. The investigation was carried out by the hospital. Legal action was taken and there was a settlement following a High Court case.

Mr. McCarthy subsequently went back to the HSE, southern region, and some assistance was offered by the head of hospital services. The circumstances of the case were reviewed by a national HSE officer responsible for risk assessment. However, it was a review of the procedures of Cork University Hospital in investigating the circumstances. Neither the initial investigation nor the subsequent review by the individual working for the HSE has provided



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sufficient information or an explanation for Mr. McCarthy in regard to what happened. What happens in the event of a negligent death, which has since been admitted by the HSE?

Exploring one final avenue, Mr. McCarthy wrote to the newly established Health Information and Quality Authority. He received a response stating that HIQA did not deal with complaints of this type referred in this way. If not, why does it not do so? I would have thought the establishment of HIQA was to inspire public confidence so that when incidents of this type occur, cases would be responded to quickly, diligently and thoroughly. All of the existing processes have been used and none have been adequate. The final process does not seem to address the concerns at the heart of this case.

There are severe inadequacies in the processes used to account for negligent deaths and through which those affected by such events can seek adequate redress, in terms of information, and draw a line under events of this type. I do not expect the Minister of State to respond to the set of circumstances I have explained but perhaps she can outline whether there is confidence in existing procedures. I would not share that confidence, if it exists. I hope the set of circumstances I have outlined will be relayed to the Department so that a more detailed response can be given.

**Minister of State at the Department of Health and Children (Deputy Mary Wallace):** I assure the Senator his concerns will be relayed to the Department. If we can get specific information for him, we will endeavour to do so. As the Senator said, the reply I will give on current policies on the investigation of deaths in hospitals through negligence and the adequacy of these policies will be of a general nature. It is regrettable that patients might be injured in our hospitals. We consider deaths that occur through negligence to be a very serious matter, particularly in the sad circumstances outlined by Senator Boyle. The Government is fully committed to improving patient safety to the greatest possible extent and a number of measures have been taken to further this aim.

The coronial system is the statutory system by which deaths that might have arisen from negligence are investigated. The current system here is based on the Coroner's Act 1962 and the Coroner's (Amendment) Act 2005. The coroner has the duty to hold an inquest on a death if he or she is of the opinion that the death may have occurred in a violent or unnatural manner. Medical practitioners who have reason to believe the deceased person died as a result of negligence, misconduct or malpractice on the part of others must immediately notify the coroner, within whose district the body of the deceased person lies, of the facts and circumstances relating to the death. Medical practitioners attending deaths in hospitals are subject to this legislation.

The coronial system was reviewed by the coroners' review group in 2000 and the coroners' rules committee in 2003 and legislative change is now in progress. In April 2007, the Minister for Justice, Equality and Law Reform published the Coroners Bill and announced the establishment of a coroner's service implementation office. The Bill is wide ranging, with particular emphasis on the modernisation of death investigation, post mortem and inquest procedures. The Coroners Bill comprehensively reforms the existing legislation and structures relating to coroners, provides for the establishment of a new coroner service and incorporates many of the recommendations made by the coroners' review group in 2000 and the coroners' rules committee in 2003. It provides for a fundamental change and improvement to the coronial death investigation process in Ireland to equip coroners to conduct the best possible death investigation and provide them with the necessary administrative and technical supports to carry out their functions.

The new coronial system will provide an enhanced service to the families of deceased persons and to society at large in explaining deaths and in drawing attention to possible public safety and health issues. The Bill lists types of death in the Third Schedule that shall be a reportable death for the purposes of the proposed Act. MRSA, for example, is listed as a reportable death. Persons obliged to report death to the coroner will now include any registered medical practitioner or registered nurse having had responsibility for or involvement in the care of the deceased person. The Bill provides a statutory framework extending the scope of the inquest from investigating the proximate medical cause of death to establishing in what wider circumstances the deceased met his or her death.

In addition to the requirements of the Coroners Act, staff at hospitals operated or funded by the HSE are required to report adverse clinical incidents and near misses to the STARSweb system operated by the clinical indemnity scheme, CIS. STARSweb, designed to capture all clinical adverse events and near misses, has been rolled out nationally. The numbers of adverse events notified to the system continue to rise each year. The system supports local risk management initiatives at enterprise level and allows for national trend analysis.

An important objective for the CIS is sharing of learning to support patient safety. Cases are subjected to analysis in order to capture any learning from them. Feedback is then provided to the individual enterprise and any generic lessons are communicated throughout the system using a variety of methods. The CIS also works in collaboration with the HSE and a large number of national and international bodies to support identification of best practice *vis-à-vis* patient safety and its implementation.

The Health Service Executive introduced its serious incident management policy in March of this year. This outlines what must be done in the event of a serious incident in order to adhere to the highest possible standards. Its purpose is to ensure an urgent, appropriate and proportionate response to all serious incidents. The policy and procedures apply to HSE employees and to agencies and services funded by the HSE. A serious incident is defined as an incident which involves or is likely to cause extreme harm or is likely to become a matter of significant concern to service users, employees or the public.

The HSE has established a serious incident management team to ensure the policy is fully implemented and this team will immediately take responsibility for managing any significant serious adverse event which occurs. The policy provides for consideration to be given to the need to suspend specific services and to ensure appropriate contingency arrangements. It also ensures that all service locations which may be at risk as a result of the serious incident are notified and checks whether a health professional over whom sufficient concerns arise worked elsewhere and for what time periods. This policy will be reviewed in the light of experience.

Senator Boyle mentioned the Health Information and Quality Authority. This was established in May of last year and its primary role is to set and monitor standards in our health services. The authority has already produced standards in a number of areas and monitoring to date includes a comprehensive national review of hygiene services in our acute care public hospitals.

The Health Service Executive has taken major initiatives in the improvement of quality and the management of risk. It has also developed an action plan on the prevention and control of health care associated infection, and implementation is ongoing. In January 2007, we established a commission on patient safety and quality assurance. The commission's terms of reference include a wide range of patient safety related issues. The commission is expected to report to the Minister later this month and its recommendations will be considered as soon as possible thereafter.

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In conclusion, all possible steps must continue to be taken to ensure that adverse events in hospital are kept to an absolute minimum. When they occur, they must be dealt with and reported promptly and investigated appropriately. The Minister is satisfied that such steps are being taken and that priority is being given to the whole area of patient safety in the public health service.

### **Hospital Services.**

**Senator Terry Leyden:** I acknowledge the presence of the Minister of State, Deputy Mary Wallace. No disrespect, but I requested the presence of the Minister for Health and Children because the questions I raise are for her. I want confirmation from the Minister on the commitments given on the future of Roscommon County Hospital. The Minister of State is in a difficult position as she did not give those commitments as Minister, but she is here to reply on the Minister's behalf. I assure the Minister of State that I make these comments with respect, as she knows from previous contact over the years. The situation with regard to the future of Roscommon County Hospital is a serious issue that has caused deep concern for the people of the county. I have been fighting for the cause for many years.

My adjournment issue raises the need for the Minister for Health and Children to confirm that commitments made by current and previous Ministers for Health and Children will be honoured and that Roscommon County Hospital will continue to provide full consultant-led accident and emergency services on a 24 hours a day, seven days a week basis, and on-site acute medical, psychiatric and surgical services including coronary care.

It is essential to retain the current services of Roscommon County Hospital. A review was carried out of services at Roscommon County Hospital and Portlincula by the HSE. The review referred to a number of options, but gave prominence to only one preferred option. The preferred option for the people of Roscommon is to retain the existing acute surgical medical and psychiatric services of the Roscommon County Hospital on a 24-hour, seven day a week basis. However, Professor Drumm has now made recommendations that go further than the review board document ever went and proposes to reduce accident and emergency services by 33%. I do not see how this can be justified. The numbers attending the accident and emergency unit are in the region of 13,000 per year.

I was chairman of the Western Health Board in 2002 when it signed the contract for a new €10 million accident and emergency department for Roscommon County Hospital, which is an outstanding facility. The latest proposal goes beyond the Hanly report, which made a geographical consideration with regard to the provision of acute services. Galway has Merlin Park Regional Hospital, UCHG, two private hospitals and Portlincula is within 25 miles of the city. It is obvious, therefore, that if any hospital should retain its acute surgical services and be developed further, it should be Roscommon County Hospital, which has served the needs of the people of Roscommon since the mid-1940s.

The Minister who comes from Meath should realise that the situation in Roscommon is similar to that in Meath. In the past 12 months the lives of a number of young men have been saved because of the presence of Roscommon County Hospital's accident and emergency department. How would anyone explain the situation to parents of such young men if that service were discontinued and lives were lost? This is a matter of life and death.

When I was a Minister of State in the Department of Health, from 1987 to 1989, and the Western Health Board proposed the closure of Roscommon County Hospital, I got a clear commitment from the Government and thereby prevented the closure of the hospital. I want

to make this clear. No independent Deputy was elected in Roscommon before 1989. The Government gave a commitment in 1987 that we would retain acute surgical, medical and accident and emergency services, as well as additional psychiatric services, and a statement was issued to that effect. On 12 September 2006, the Minister for Health and Children met my colleague, the Minister of State at the Department of the Environment, Heritage and Local Government, Deputy Finneran. The latter indicated in a recent statement that senior officials from the Department and the HSE attended this meeting, at which it was agreed that inpatient surgery would continue to be provided at Roscommon County Hospital and that a joint department of surgery and anaesthesia would be established between Roscommon and Portlincula hospitals, with two surgeons based at each hospital. A fifth surgeon was to be appointed to specialise in gastrointestinal surgery, with hours to be agreed by the hospitals.

This issue needs clarification and the Minister needs to confirm the commitments she made in September 2006 to the Minister of State. I call on her to honour the commitments she gave to the people of County Roscommon and those who rely on Roscommon County Hospital for acute treatment. I hope the response to my appeal will be positive but, if it is not, I intend to pursue other parliamentary means of raising this matter.

**Deputy Mary Wallace:** I am taking this Adjournment matter on behalf of my colleague, the Minister for Health and Children, Deputy Mary Harney. The Government is committed not only to ensuring the delivery of the best quality health services possible but to doing so in an effective and efficient way. Ensuring patient safety is of paramount importance so that people can have confidence in the services and the best possible patient outcomes can be achieved.

The Health Information and Quality Authority was established on a statutory basis in 2007 and is responsible for driving quality and safety in health and social care services. In the same year, the enactment of the Medical Practitioners Act 2007 represented the first major overhaul in 30 years of the law regulating the medical profession. The new Medical Council appointed under this Act came into office on 3 July. Also in 2007, the Minister established the commission on patient safety and quality assurance to develop proposals for a health service wide system of governance based on corporate accountability for the safety and quality of all health services. The commission is due to submit its report by the end of this month. In this context, it is essential that every health care provider and facility is fully cognisant of patient safety and quality and takes account of these in the organisation, management and delivery of services.

In the past, Roscommon County Hospital and Portlincula Hospital, Ballinasloe, have operated independently, with two consultant general surgeons in each hospital. The difficulties faced by Roscommon and Portlincula in maintaining surgical services independently and the need for closer co-operation between them were highlighted by the former Comhairle na nOspidéal in March 2006. Advances in clinical care and ever increasing levels of specialisation mean that the present model of care is no longer sustainable. Small stand-alone hospital services will not be able to offer doctors the opportunity to treat a sufficient volume and variety of patients in order to maintain their skills nor will they be able to provide the range of experience required for doctors during training. As a result, it will prove increasingly difficult, and perhaps impossible, to fill consultant posts on a permanent basis.

In light of these factors, the best way of retaining and developing services at Roscommon and Portlincula hospitals is for the hospitals to work together. I am confident that the development of joint departments of surgery and anaesthesia at the hospitals will provide a better service for patients of both hospitals. The Health Service Executive is undertaking a detailed planning and consultation process with stakeholders on how best to implement the proposed changes to the organisation of services at the two hospitals. This will include consideration of

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the most appropriate arrangements in regard to the provision of accident and emergency services for the populations served by the hospitals concerned. The resource implications of the new service configuration in revenue and capital terms will be considered in the context of the planning exercise which I have described.

**Senator Terry Leyden:** I thank the Minister of State. She stated that discussions are ongoing, whereas the impression given locally by Professor Drumm is that they have been concluded. The only glimmer of hope is that further discussions will take place. I hope the Minister will be made aware of my concerns before a final decision is made on the configuration of the two hospitals.

The Seanad adjourned at 6.15 p.m. until 10.30 a.m. on Wednesday, 9 July 2008.