

Vol. 190
No. 12

**Wednesday,
9 July 2008**

DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

SEANAD ÉIREANN

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

Wednesday, 9 July 2008.

[illegible]

SEANAD ÉIREANN

Dé Céadaoin, 9 Iúil 2008.
Wednesday, 9 July 2008.

Chuaigh an Cathaoirleach i gceannas ar 10.30 a.m.

Paidir.
Prayer.

Business of Seanad.

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

The need for the Minister for Education and Science to give the up to date position in regard to a new sports hall for Davitt College, Castlebar, County Mayo.

I have received notice from Senator Diarmuid Wilson of the following matter:

The need for the Minister for Education and Science to give an up to date report on the architectural design tender for St. Killians national school, Mullagh, County Cavan.

I have received notice from Senator Shane Ross of the following matter:

The need for the Minister for Communications, Energy and Natural Resources to ensure that RTE's FM services is received all over Northern Ireland thereby enabling residents of Northern Ireland to access RTE.

I have 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 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 which is to close one of its 20-bed wards owing to budget constraints and to indicate if she believes that this will adversely affect patient care.

I have received notice from Senator Jerry Buttimer of the following matter:

The need for the Minister for Health and Children to outline her strategy to provide social worker cover in Cork City at weekend hours.

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

[An Cathaoirleach.]

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 regard the matters raised by Senators as suitable for discussion on the Adjournment. I have selected the matters raised by Senators Paddy Burke, Diarmuid Wilson and Shane Ross 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 Donie Cassidy: It is proposed to take informal tributes to the late Deputy Seamus Brennan. It is proposed to allow time for short contributions from Leaders of the groups following which the House will adjourn for ten minutes after which we will take No. 1, motion re European Migration Network, back from committee, without debate; No. 2, Intoxicating Liquor Bill 2008 — Second Stage; No. 3, Statements on the Economy; No. 21, Private Members' business, motion No. 40 re bio-fuel and, No. 4, Dublin Transport Authority Bill 2008 — Report from Dáil.

It is proposed that No. 1 shall be taken without debate at the conclusion of the informal tributes; No. 2, will be taken at the conclusion of No. 1 and spokespersons may speak for ten minutes, all other Senators for seven minutes and Senators may share time with the agreement of the House; No. 3, shall be taken not earlier than 2.30 p.m. and conclude not later than 5 p.m. Spokespersons may speak for eight minutes, all other Senators for five minutes and Senators may share time with the agreement of the House; the Minister will be called upon ten minutes before the conclusion of the debate for concluding comments and questions from spokespersons. No. 21 will be taken not earlier than 5 p.m. and conclude not later than 7 p.m.; No. 4, shall be taken at the conclusion of Private Members' business; No. 2, to resume if not previously concluded.

Senator Frances Fitzgerald: On a point of order, are we taking the Order of Business following the informal tributes and suspension of the House?

Senator Donie Cassidy: No, we are taking the Order of Business now. The House will hear informal tributes to the late Seamus Brennan following the Order of Business and will then adjourn for ten minutes.

Senator Frances Fitzgerald: Are we taking the business as ordered on our return?

Senator Donie Cassidy: Yes.

Senator Frances Fitzgerald: We are taking the Order of Business now followed by informal tributes and a sos?

Senator Donie Cassidy: Yes.

Senator Frances Fitzgerald: I am unclear as to whether we are having tributes now or later.

An Cathaoirleach: Is the Leader including the tributes as the second item of business after the Order of Business?

Senator Donie Cassidy: Yes, as a separate item.

Senator Frances Fitzgerald: I thought we were doing the tributes first.

Senator Liam Twomey: It should be the other way around.

Senator David Norris: It must be said first. It does not matter. It is business as usual.

Senator Frances Fitzgerald: The Government is suggesting that we conclude our deliberations on the Intoxicating Liquor Bill by taking all of Second Stage today and Committee Stage tomorrow. This is an inappropriate way to deal with legislation. Members cannot be expected to put down amendments overnight. It is not conducive to good legislation and it is not in the spirit of reform as put forward in the programme for Government by Fianna Fáil, the Green Party and the Progressive Democrats. It is not in the spirit of reform to introduce legislation in this way and not give adequate time to discuss its implications or to meet those who have a point of view about it or who have lobbied for changes. It certainly does not give us an opportunity to meet with the industries affected, as we would wish to do. There has been much discussion about this Bill over a period of months, but that is not really the point. The point is that we have the legislation now and we need to examine it. I will propose an amendment to the Order of Business to change this in order that the Bill can be taken over a longer period. Perhaps, as my colleague Senator Regan suggested earlier, it should be taken in conjunction with the other legislation being introduced in this area in the autumn.

The Government announced yesterday that savings would be made in various areas. I find it somewhat disingenuous for the Government to say that health and education are not being affected. In fact, the announcements were very general and the details were unclear, as are the actual effects they will have. Obviously the details are being left for the summer, when the Dáil and Seanad are not sitting. What I am hearing about in my own constituency of Dublin Mid-West is cuts in education services, a lack of information about building programmes, decisions being put off and schools not being told where they are on waiting lists for money. It is the same in the health services. I am sure every Senator has had similar experiences. In view of this, the announcement yesterday that health and education will not suffer cutbacks is unclear. It is obvious that major decisions which are affecting front-line services and having dramatic effects on the lives of the people concerned are being taken in these areas as we speak. Whether we are talking about suicide prevention officers in the local HSE areas, as Senator Mary White spoke about yesterday, whose positions have not been filled, or elderly patients waiting for step-down beds, it is not honest to say that health and education are not being affected at present.

Senator Jerry Buttimer: Hear, hear.

Senator Frances Fitzgerald: Every one of us in the House knows that cutbacks in health and education are being implemented as we speak. What is this talk of health and education not being affected? It is disingenuous, to say the least, and it is not accurate. We should have truth. The first thing we must do in dealing with economic situations such as this is to face the reality and not to be in denial. We need to be truthful about what is happening. There is a complete contradiction between the experience on the ground in health and education services and what was said yesterday. We need accountability in this House on these issues.

Senator Jerry Buttimer: Hear, hear.

Senator Feargal Quinn: I agree 100% with what Senator Fitzgerald has just said about rushed legislation. I am amazed that we are being treated in this manner with the Intoxicating Liquor Bill. I remind the Leader, with a compliment to him, of an incident that took place seven or eight years ago on exactly the same day — almost the last day of term — when the Dáil had finished and we were discussing the Electoral (Amendment) Bill 2000, which provided that no public opinion polls were to be published in the week before an election. The Bill had gone

[Senator Feargal Quinn.]

through the Dáil and came to the Seanad for its final day of deliberations. Senator Ross pointed out that this was disastrous legislation, not because it was being rushed through but because he had seen a flaw in it, which was that it would allow all the public opinion polls that had not been published in the previous week to be published at midnight on the day of the election. Senator Cassidy, as Leader, agreed with Senator Ross and asked for the Bill to be withdrawn. This was done after the Dáil had finished its deliberations on the Bill and after it had finished sitting. That is the purpose of having a second Chamber. It is the reason we are here.

Senators: Hear, hear.

Senator Feargal Quinn: There is another intoxicating liquor Bill coming up in October, but we are being given the chance to take Second Stage of this Bill today. When I joined this House many years ago — 15 or 16 years ago — it was explained to me how legislation was put through the House. There is Second Stage, on which we debate the Bill generally. Then, having had time to think over the Bill, we put down amendments for Committee Stage, which takes place some time afterwards. The Government then considers the Committee Stage amendments and then we have Report Stage. When I asked about this Bill yesterday I was told that our Committee Stage amendments were originally supposed to be lodged before 11 o'clock this morning, but I now gather this has been changed to later today. That is to facilitate our having Committee Stage tomorrow and Report Stage, I assume, the following day, which gives us no chance for proper consideration. I am assuming the Leader would not dare to order Committee Stage and Report Stage on the same day——

Senator David Norris: I would not assume that at all.

Senator Frances Fitzgerald: Yes, they are on the same day.

Senator Feargal Quinn: I cannot believe that. I second Senator Fitzgerald's proposal. I seldom do this because I usually find that amendments on which a vote is called at the end of the Order of Business are on something I do not support. However, this amendment is worthy of support and I agree with Senator Fitzgerald's point about rushed legislation.

We will not have a long discussion on the economy today. I gather we will have only two hours, although I was hoping for a longer time. I am very disappointed about this also. It is being done in a rush. I will not call for a debate on the economy as we are going to have one. However, I have some homework for us to do over the long summer recess. It is not just for Senators but for everyone in the country. It is to read the new National Plan for Equity of Access to Higher Education 2008-2013, which was launched by the Minister for Education and Science this morning. It is very impressive, but what surprised me were some of the figures provided, particularly with regard to investment in education.

Senator Mary M. White: They are not adequate.

Senator Feargal Quinn: I heard recently that the best return on investment globally would be achieved by educating women. Many women around the world are not educated. It has been pointed out that the best investment is to educate those who are not educated. I was surprised to see, in a time when we all recognise the need for lifelong learning, that only 7% of Irish people over the age of 18 have a higher education background. This is according to the figures published today. In Sweden, the equivalent figure is 33%. We have a long way to go in encouraging the nation to undertake extra or lifelong education, but it is the best investment we can make. The reason I point out this is that it will give us a competitive advantage in achieving the economic targets we have set out. It is not just education for the sake of

education but because it is good value for money. This is something we should study this summer, and we should consider the proposals that have been put forward to ensure many more of our citizens have the chance to participate in further education and not just the education they get at the moment.

Senator Alex White: I will not oppose the suggestion that the motion on the European Migration Network be taken without debate, but I ask the Leader to consider having a debate when we return in the autumn on the broader issue of migration, which would encompass this proposal but also the subject matter of the European meeting recently attended by the Minister for Justice, Equality and Law Reform at which the President of France appeared to be advancing a series of quite draconian proposals for controlling migration. A considerable amount of fear and panic has been engendered in respect of migration around the world, particularly in Europe. However, according to reports by economists migration has been declining in recent months and years, though one might have thought it was increasing, based on some reports. The autumn could be a suitable opportunity for us to have this wider debate.

I endorse everything Senator Quinn, a most experienced Member of this House, said on the Intoxicating Liquor Bill. Why is there a rush to deal with this matter this week? I ask the Leader to stand up for the integrity and independence of this House and insist on a proper debate on this legislation. We should not have to sustain the unedifying practice of people lobbying Senators regarding changes we may disagree with.

Senator Mary M. White: Hear, hear.

Senator Alex White: We have barely time to read these letters and e-mails before we must make proposals in the House on this legislation. This was dealt with yesterday and Senator Boyle said the issue of alcohol has been discussed before in the House. That may be, but we are charged constitutionally, as Members of this House, to debate, scrutinise and, ultimately, pass legislation, if we are satisfied with it. For us to deal with Second Stage of this Bill one day, followed by Committee, Report and Final Stages the next day undermines the independence and integrity of this House. We should defer subsequent Stages of this legislation until the autumn. The sky will not fall in.

Senator Terry Leyden: I thank the Cathaoirleach for allowing a matter to be raised on the Adjournment last night regarding the future of Roscommon County Hospital. Regrettably the Minister for Health and Children, Deputy Mary Harney, did not attend so I could not address my questions on the future of the hospital. Professor Drumm has made statements in the constituency and in County Galway on the future configuration of Roscommon and Portlinculla hospitals and hospitals in the region. Last night the Minister of State, Deputy Mary Wallace, said on behalf of the Minister that discussions are ongoing.

As a former Deputy, Minister of State and now Senator, I find it is very difficult to get answers to a question I tabled legitimately on behalf of my constituents.

Senator Jerry Buttimer: Welcome to the real world.

Senator Terry Leyden: I appreciate the fact that the Cathaoirleach allowed this matter to be raised on the Adjournment last night but I wish to express my dissatisfaction that the Minister did not attend to answer my questions.

Senator Mary M. White: Hear, hear.

Senator Jerry Buttimer: The Senator should vote against the Government if he feels this way.

Senator Terry Leyden: I will continue to pursue this issue but I wish to say that there is a crisis in Roscommon relating to Roscommon County Hospital.

Senator John Paul Phelan: There is a crisis in the whole country.

Senator Terry Leyden: There is a deep concern in the area that after all these years the vital accident and emergency service may be lost.

Senator Jerry Buttimer: He is playing politics again.

Senator Terry Leyden: I hope the Leader will allow a debate on health concerns. Perhaps the Minister will come before the House to explain the situation regarding the reduction of expenditure on health next year due to economic difficulties.

Senator Jerry Buttimer: She might attend the parliamentary party meeting.

Senator Liam Twomey: Yesterday's announcement shows that the decentralisation programme is in disarray. Will the Leader allow a debate on this issue, which is of importance to so many parts of the country? We should not wait for reports from the decentralisation implementation group. It is important that people working in the public service and Civil Service learn what is to happen with regard to decentralisation.

I am not often critical but I am disappointed that we did not have tributes to a serving Member of the Oireachtas first today, followed by a break. This is the least respect we could have shown.

Senator Nicky McFadden: Hear, hear.

Senator David Norris: I want to raise the repercussions of the European court decision on environmental matters, something I sought to raise last week but was unable to due to the number of speakers. This area was touched on last week in the context of the Haulbowline situation, which is disastrous. The company involved attempted to sift materials by shaking them in mid air, thereby spreading contaminated dust. It is unbelievable.

The matter I wish to raise relates to this. Among the matters referred to at the time was a question I attempted to raise on Stanley sawmills in Offaly that was ruled out of order due to a lack of ministerial responsibility. The question was debated but I was unable to have it discussed on the Adjournment. The courts have taken an interest in this matter and I would like the Minister to come before the House to explain the latest position. It was an unplanned development that sought retrospective planning permission, which was granted, along with an EPA licence, without an environmental impact survey. That is astonishing. All of the conditions were then broken and chromium 6, which is carcinogenic, was released into the environment.

An Cathaoirleach: This matter may be before the courts and I would prefer if it was not discussed here.

Senator David Norris: I can reassure you, a Chathaoirligh, that this matter is not before the courts but you are right, it should be. The practices of the Environmental Protection Agency, which have been held up to serious criticism, should be examined. There is a continuing hazard and this matter should be reopened, if not here in the Oireachtas then in the courts. I agree with the Cathaoirleach on this and thank him for the suggestion.

I also wish to raise the issue of this country's approach to refugees. There is legislation planned to deal with refugees and the agency responsible for them but can the Leader tell the

House when it will come before us? I am greatly worried because an individual, about whose activities concerns were raised in court in Ireland, is purported to have his position confirmed, named and stated in this legislation, which is inappropriate.

There are many concerns about this legislation and I wish to put a case on the record of this House that was brought to my attention in recent weeks. A young Iranian man is in this country at the moment; he left Iran after an investigation, having openly acknowledged a sexual relationship with his male partner. He is being served in Ireland with a deportation order. What kind of people run these services? Are they unaware that this man will be butchered on his return to Iran? If so they are unique because everyone else knows.

Senator Mary M. White: Hear, hear. It is disgraceful.

Senator David Norris: This was confirmed by the deputy Iranian Foreign Minister in these Houses last week. He said they will not do it from a crane on the back of a lorry anymore but they will still do it. What are we doing and where is the accountability? In the name of the Oireachtas, I demand that the practice of deporting a person under those conditions should be ceased immediately.

Senator Mary M. White: I support my colleagues who have a problem with the Intoxicating Liquor Bill 2008 being rushed through. However, there are many innovative changes in the legislation and it is an excellent Bill. In the document I launched yesterday on a new approach to suicide in Ireland, alcohol is mentioned as one of three proven factors that can lead people to suicide. Many of these people do not die due to alcohol consumption but alcohol is involved in half of the cases of people who die as a result of suicide and half of the cases of people who deliberately self-harm.

We must do something about the drink culture in Ireland and my document calls for extra measures to be taken. Alcohol should not be allowed in the sponsorship of sporting events or musical events for young people. It should be banned from such events over five years. We should try to emulate Mediterranean countries where people drink only a little tipples of alcohol, because there is nothing wrong with a little. We must not overdo it.

An Cathaoirleach: We can discuss tipples when the Bill comes before the House.

Senator Mary M. White: There are three proven areas that can be addressed to lower the rate of suicide and deliberate self-harm and one of these is alcohol consumption. People should be encouraged not to drink when they feel depressed. It is necessary that general practitioners be trained to identify depression when patients present with it. Mothers of children who hung themselves told me doctors had told them there was nothing wrong with their children.

My third point is very serious. Legislation was introduced in the United Kingdom approximately four years ago to reduce the size of packets of paracetamol, such that one could no longer buy a packet containing 24 tablets. Within one year, academic analysis showed there was a reduction in suicides as a result of overdosing on paracetamol and codeine, in addition to a drop in the number of deaths from liver failure as a result of taking paracetamol.

I have outlined three proven ways in which the rates of suicide and self-harm can be reduced. This is why the Intoxicating Liquor Bill is so critical. It is a good Bill but I agree with my colleagues on the other side of the House that it is wrong to rush it at this stage.

Senator Eugene Regan: I support the Leader of the Opposition, Senator Fitzgerald, regarding the amendment to the Order of Business. Yesterday I questioned the time allowed to consider the Intoxicating Liquor Bill. The Bill was discussed in the Dáil yesterday and there were 56

[Senator Eugene Regan.]

amendments, categorised in a number of groups. The first three amendments, which were fairly technical, were discussed together, as was a second group of two. A third group, many amendments of which concerned the opening hours of early houses, which issue has been resolved, were also discussed. At a maximum, 13 of 52 amendments were discussed and, given the guillotine applied to the legislation, no time was allowed for any debate on the other important amendments to be discussed on Committee Stage. There is an important point of procedure to be considered in this regard and I appeal to the Leader to use his influence to address the problem. It is not just a question of time for debate but of time for consultation. People have made representations to Members and time should be allowed to consider appropriate amendments.

Mistakes have been made in legislation. In this House we have dealt a number of times with legislation to correct mistakes in criminal law. We do not want to revisit the Intoxicating Liquor Bill to correct mistakes that have crept in because it was rushed. We need proper parliamentary scrutiny of legislation and rushing it without good reason brings both Houses into disrepute.

An Cathaoirleach: The Senator's point is made.

Senator Eugene Regan: The main objective of the legislation is to address the public order issue. Since the legislation is rushed, it will fail. It will provide for common, rather than sequential, closing of late-night drinking premises. The very objective of the Bill is being undermined by its own provisions. That there is inadequate time for consideration of this and other issues discredits the work we are doing in this House. I ask the Leader to use his good offices to address this matter.

Senator Denis O'Donovan: On the points made by Members of the Opposition regarding the Intoxicating Liquor Bill, I, as spokesperson on justice, would have no problem if the House were to sit next Tuesday and Wednesday to conclude the legislation.

Senator Mary M. White: Hear, hear.

Senator Denis O'Donovan: Perhaps it should be considered by the Whips.

My learned colleague, Senator Regan, mentioned the legislation primarily concerns public order. I do not disagree entirely, but I must state that the question of the 170 theatre licences issued this year is being ignored. Unscrupulous people are taking advantage of a loophole in the existing legislation to obtain licences that were never intended to be used or abused in such a manner. This is a major worry for the Government and is possibly the main reason the legislation must be passed this session.

I do not agree with the postponement of the legislation until next October. It deals with very important issues and, if it is not concluded today, I will suggest, with respect to the House, that we sit next Tuesday and Wednesday.

Senator Mary M. White: Hear, hear.

Senator Phil Prendergast: Let me raise the issue of people who have contracted legionnaires' disease in public buildings. All public buildings should be assessed by the Environmental Protection Agency and health and safety authorities to ensure workers are not open to contracting serious diseases in their places of work.

What health and education programmes will be restructured, reorganised or cut in each area throughout the State? It would be very helpful if all public representatives had this information.

I ask that the decision on locating the Central Mental Hospital on a site at Thornton Hall be reconsidered seriously.

Senator David Norris: Hear, hear.

Senator Mary M. White: Hear, hear.

Senator Phil Prendergast: It is having an adverse impact on people.

I am a long time in politics but was never so moved as yesterday when parents of some of the inpatients in the Central Mental Hospital articulated their views so eloquently on issues about which we would never know. I am sure it was very difficult for them to outline their views on the management of health services. The decision to locate the hospital at Thornton Hall is not in accordance with international best practice. Decisions to locate different institutions on a single site have been reversed in many countries. It would be helpful if the decision on the Central Mental Hospital were re-examined in a positive way.

I would like the Minister for Health and Children to be invited to the House to outline her views on the home birth programme. What does she believe to be the way forward regarding those women who want to give birth at home? What are her views on the management of the service?

Senator Jerry Buttimer: Later this month, US Senator Barack Obama will visit Europe. Given the Leader's great interest in the plight of the undocumented Irish, and his experience in this regard, could he invite Senator Obama to Ireland to meet a cross-party delegation of Senators to discuss the undocumented Irish and outline his views thereon? Senator Obama could be also asked to outline his views on US investment in Ireland and to state his policies in this respect in light of the global economic downturn.

I ask for a debate on the programme for Government before the summer recess in light of the events of recent days, especially yesterday. I have asked about this on numerous occasions but have not received an answer.

I echo the remarks of Senator Fitzgerald in asking that there be openness and transparency on the other side of the House regarding education and health. Yesterday I spoke to a young health professional who was offered a job with the Health Service Executive last October. This is July but he has not yet been given a start-up date. What does this tell us about the management of the economy by the Government? We need a debate on the programme for Government.

Senator Brian Ó Domhnaill: I welcome yesterday's proposal by the EU Commissioner for Agriculture and Rural Development, Mariann Fischer Boel, to launch a scheme, valued at €90 million, to address childhood obesity by making fruit and vegetables available to schoolchildren across member states. The proposal, which must be agreed by the Council of Ministers and the European Parliament, is very welcome. The EU Commission is adopting the model rolled out in more than 100 Irish schools since 2005 by Bord Bia and the Department of Agriculture, Fisheries and Food.

It is planned, in the programme for Government, to roll it out to approximately 3,000 further primary schools. This is an excellent initiative because a problem exists in Ireland and other EU member states in respect of childhood obesity. It can be targeted specifically in a number of ways, of which this initiative is one. Second, the role of sport within the primary school curriculum must be considered. I also pay tribute to the National Heart Alliance's document on the children's food campaign. Both the Irish Heart Foundation and the National Heart Alliance are calling for a restriction on television advertising of unhealthy foods before the 9

[Senator Brian Ó Domhnaill.]

p.m. watershed and this proposal should be supported by the Government. I call on the Leader to facilitate a debate after the summer recess on the issue of childhood and adolescent obesity and how it can be dealt with through the school curriculum and the efforts of the Department of Agriculture, Fisheries and Food, as well as the health promotion unit and children's office within the Department of Health and Children. At least three Departments have some responsibility in this regard and could work together. This matter should be debated in this House and I call on the Leader to facilitate such a debate when Members resume in October.

Senator John Paul Phelan: I join with previous speakers in raising questions about yesterday's Government announcement with regard to cutbacks. At first glance, when considering where the proposed savings of €440 million are to come from, the figures do not appear to add up. Moreover, a 3% payroll cut in all Departments, except Health and Children and Education and Science, does not add up to the figure announced yesterday. While yesterday's announcement was vague, Members may get an opportunity later today, during their debate on the economy, for a more detailed pronouncement on those cutbacks.

I agree with the comments made by Senator Twomey and join with him in calling for a discussion on decentralisation. One of the clear indications arising from yesterday's announcement was the decentralisation programme has been kicked to touch. There has been a degree of divergence between the Fianna Fáil and Green Party wings of Government as to what is the present status of decentralisation. I join with Senator Twomey in asking for a debate on that issue.

I also join with Senator Prendergast in her comments on the Central Mental Hospital. I witnessed some of yesterday's events when parents of patients in the hospital appeared before the Oireachtas Joint Committee on Health and Children. It was a harrowing meeting and for someone like me, who was not intimately familiar with the details of the hospital's move to the Thornton Hall site, it was an eye-opener. It makes no sense from either an economic or mental health best practice perspective. This issue should be revisited and I urge the Leader to ask for such reconsideration.

My final point pertains to the House's Adjournment debates that are organised by the Cathaoirleach. It probably is too late in the present session to make much difference. However, I again ask the Leader, following the return of Members in the fall of the year, to do something to ensure that relevant Ministers are available. I appreciate it is not always possible to have present a Minister from a particular Department. Last week, however, I tabled an Adjournment matter that was accepted by the Cathaoirleach. Two of the three Adjournment matters related to health and the debate took place at 1 p.m. on Thursday. I refuse to accept that not one of the four or five Ministers or Ministers of State at the Department of Health and Children was available to appear in the Seanad to take two out of the three Adjournment matters that related to health matters.

The issue I raised concerned an individual case and it is highly unsatisfactory to deal with a Minister for a different Department when one raises a specific issue because one is unable to get a detailed response to the problem in question. While the Leader is probably trying his best in this regard, Ministers should treat the Seanad with more respect. In such a case, in which two of three matters related to a particular Department that has attached to it a Minister and three or four Ministers of State, at least one should be available to respond to matters raised on the Adjournment.

Senator Mary M. White: Hear, hear.

Senator Geraldine Feeney: I support the request of my colleague, Senator Brian Ó Domhnaill, for a debate on childhood obesity. I ask the Leader whether such a debate could be broadened to include eating disorders and their effects on children and adolescents. While the Cathaoirleach may not remember, this time last year, on the eve of the summer recess, my last request was for Members to have a debate on eating disorders among children and adolescents early in the autumn following the Seanad's return. Together with other Members, I have asked for such a debate four or five times but it has not taken place. As someone who has been campaigning for a long time for changes and for a debate in this regard, I ask the Leader to take special note of this issue in order that such a debate might take place early in the autumn.

Senator Rónán Mullen: I agree with the comments of my colleague, Senator Quinn, as well as those of Senator Alex White and others, on the manner in which the Intoxicating Liquor Bill is being rushed through the Seanad. I am sorry to be obliged to say the Government's approach in this regard is akin to a student cramming for an exam. The House has been on the doss all year and now everything is being rushed through. It reflects badly on the attitude to the Seanad and to the legislative process and people outside will wonder why Members have had statements on this, that and the other throughout the year and now, a bit like the 46A bus, several come along at once——

An Cathaoirleach: The Senator has made his point.

Senator Rónán Mullen: —— some of which do not even have time to stop. I regret this and while there are hardworking Members on all sides of the House, it is not good enough in respect of an important issue such as alcohol abuse and when trying to take serious steps to tackle it. The least Members should do is give proper consideration and have due respect for the legislative process in order that they can consider such issues in full. While Members are reconciled to the possibility their amendments may not be taken on board, at least a proper discussion could take place. I would be content for the House to sit next week to fully honour the legislative process in this case.

I wish to recall my remarks yesterday when calling for a debate on what our priorities should be at a time of cutbacks. I was distressed to note that our overseas budget is to be cut by more than €40 million. I echo the comments of the GOAL chief executive, Mr. John O'Shea, who rightly stated this was morally indefensible. It is not good enough to state Ireland still will meet its target of 0.7% of GDP by the due date. The opportunity should have been taken to send out a strong signal that Ireland is neither losing its soul nor fumbling in the greasy till and that when cutbacks are required, it will not, as a matter of principle, attack the most vulnerable people in this society and elsewhere in the world. I am deeply disappointed by this development and this decision should be reconsidered as it sends out all the wrong messages.

I again echo the comments of Senator Quinn. He and I both attended the Higher Education Authority's launch of the national plan for equality of access in higher education. Some serious issues arise that should be debated in this House regarding those groups in Irish society who are not achieving high levels of participation in third level education. The intention is to reach an average of 72% of people continuing to third level education and that each section of the community will achieve a minimum of 54% participation.

However, it is interesting to note the non-manual category has a rate as low as 27% participation in higher education. I wonder whether this pertains to the children of gardaí and others who do not qualify for the means test and who earn just enough to prevent them from being grant aided. Is this keeping people out of third level education? What are the implications for them and for the economy? There should be a debate on the issue of access to higher education.

[Senator Rónán Mullen.]

Moreover, if Members are to sit next week, such a debate should be prioritised, in addition to the legislation that must be debated.

Senator Joe O'Reilly: At the outset I strongly endorse and, if possible, second Senator Mullen's proposition that Ireland should not cut overseas aid. As a people of relative plenty, this is an abomination, is wrong and sends out the wrong signals. Even at this late stage, the decision should be reconsidered and I completely support Senator Mullen in this regard. As a Christian society, our authenticity will be greatly jeopardised unless the decision is reversed.

I had initially intended to begin by raising the question of decentralisation. This is a matter of huge concern and constitutes a breach of trust by the Government. A commitment was made to decentralise and I believe the decentralisation programme was worthy in itself and was the correct thing to do. I am concerned that decentralisation will halt in Cavan town and in a number of places. I would ask the Leader to make a clear statement to the House or elicit the information as to the status of the decentralisation programme in Cavan, where a site has been acquired, and about its continuation.

I want to make the general point——

An Cathaoirleach: A question to the Leader.

Senator Joe O'Reilly: ——on the 3% cut in the wages bill of the Departments. Given that it is not specified, there is a big risk that front-line services in local authorities such as roads will suffer. There is no potential to cut front-line services, particularly the roads programme, in my county and a number of others. I am concerned on that level. I would ask the Leader to seek an assurance that front-line services are not to be affected and that these changes are to be achieved otherwise. It is wrong to leave the details vague and to pass on the decision-making process there, and I would ask the Leader to do something about that.

I accept the proposition made by Senator Fitzgerald at the outset, that education and health, by virtue of not continuing the reduction of class size and by a plethora of cutbacks, respectively, are experiencing cutbacks. We need the Leader to come back to the House with a statement of what specifically is involved here and an assurance on front-line services.

Senator Jerry Buttimer: They have not made them up yet.

Senator Joe O'Reilly: I would appeal to the Leader to intervene. I would like to hear from him that even now, the decentralisation programme to Cavan could still be rescued.

Senator Terry Leyden: What about Roscommon?

Senator Joe O'Reilly: And Roscommon.

Senator Kieran Phelan: Senator Wilson says it is okay.

An Cathaoirleach: I call the Leader to reply to the Order of Business.

Senator Donie Cassidy: Senators Fitzgerald, Quinn, Alex White, Mary White, Regan, O'Donovan and Mullen expressed concern about the Intoxicating Liquor Bill 2008, which is coming before the House today and tomorrow. I can assure the Senators that they will have all the time they require. I do not mind how late we sit any of the days in discussing this.

Senator O'Donovan expressed the great concern — which I know comes from the highest levels in the Garda Síochána — over the 170 theatre licences. As one whose background is in the entertainment world, I do not know where these are. That was never the spirit of the

measure in which the Government and legislators on all sides of the House wanted to help provide a level playing field to the theatres so that they could continue to survive at the time. I am thinking of all the great people who work in the world of entertainment and the theatre. I will not say much more about it, except that it was never the spirit that an establishment would have a pub licence during the day and then, in order to be able to stay open very late at night, would have a theatre licence until 3.30 a.m.

All legislators in the House want to do the right thing. I thank Senators for expressing concern about the time allocated to the Bill. As Leader from 2007 to 2008 and from 1997 to 2002, I never guillotined a Bill in the Seanad, nor will I with this Bill. What I will tell the House is that it will sit very late tonight and tomorrow night if Senators wish to avail of the time to discuss the Bill in detail. There are experienced Members here in the House who can assist the Minister and the Department with the legislation.

As has been stated already, a major Bill on the broader liquor issues, and the role of advertising in liquor on which Senator Mary White expressed strong views here, will be before the House in the late autumn. We can have a debate on that before the Bill comes to the House. The work of the Joint Committee on Justice, Equality, Defence and Women's Rights has been invaluable, particularly on the Intoxicating Liquor Bill.

Senator David Norris: On a point of order, the Bill has been issued to many of us without a explanatory memorandum. It would be helpful. Can the Leader give us an assurance that the explanatory memorandum will be supplied before the debate?

Senator Donie Cassidy: That is an oversight. I will ensure that will be done immediately after the Order of Business.

Senator David Norris: I thank the Leader.

Senator Donie Cassidy: Senators John Paul Phelan, O'Reilly, Mullen and others expressed strong views about the proposed corrections to be made to assist the economy and citizens in terms of the changes taking place. Time has been allocated for this today. When we return in the autumn, in the first or second week we will have a half-day debate on this also to monitor what has taken place over the summer months and, as Estimates are being put together for various Departments at that time of the year, to highlight the concerns of Senators to Ministers.

On Senator Mullen's point on overseas aid, Ireland is among the sixth highest *per capita* contributors to overseas aid in the world. It is still the ambition of the Government that the target of 0.7% of GDP would be achieved by 2012. I have stated on many occasions in the House, and while on trade missions and official visits all over the world, that the missionaries have done an incredible job for centuries. We will not let them down. We will do everything we possibly can. I can speak on that for all Members of both Houses of the Oireachtas.

I will pass on Senator Quinn's strong views about extra education, life-long learning and further education to the Minister. I could not agree more with him. We can have statements on this after the recess.

Senator Alex White raised No. 1 on the Order Paper. I can give an undertaking to the House that we will have a debate on this in the early autumn. I fully agree with the views the Senator expressed.

Senator Leyden, as usual, showed his life-long dedication to Roscommon County Hospital. In all the hard work and endeavour that public representatives of all sides have done, Senator Leyden has been tireless in his efforts in this area. I will pass his views on to the Minister. In

[Senator Donie Cassidy.]

fairness to the Minister, Deputy Harney, she has come to this House and given a great deal of her time whenever we had a major debate on the HSE. It is difficult for her to be everywhere.

Senators Twomey, John Paul Phelan and O'Reilly expressed concerns about decentralisation. On the question of decentralisation to Cavan, I will ask for the support of the Government Chief Whip, Senator Wilson. He has the respect of the House in this regard.

Senator Diarmuid Wilson: They are already there.

Senator Donie Cassidy: Senator Wilson has no concern about Cavan. On the question of decentralisation, I understand that anywhere that contracts are signed, are in place or are about to be signed, it is going ahead.

Senator Norris asked about legislation on refugees. I will come back to him today on his serious concerns in this area.

Senator Prendergast expressed strong views on Legionnaires' disease and I will pass her views on to the Minister. She also raised the programme on health and education, and expressed her concerns regarding the economy. Statements on the economy will take place in the afternoon. I have allowed for a ten minute question and answer session with the Minister at the end of that debate and each party can prioritise the concerns of its Senators and ask questions to the Minister in the House. Senator Prendergast also raised the home birth programme and I can have inquiries made about that for her also.

Senator Buttimer called more on the Cathaoirleach and the Committee on Procedure and Privileges, rather than on myself, to have US presidential candidate Senator Barack Obama visit Ireland and attend the House.

Senator Jerry Buttimer: On a point of order, I did not ask for him to come to the House. I asked for the Leader to organise a cross-party grouping to meet with Senator Barack Obama to discuss the undocumented Irish in the USA and his policy regarding United States direct investment in Ireland given the downturn in the world economy.

An Cathaoirleach: That is not a point of order. The Leader is replying to the Order of Business.

Senator Donie Cassidy: I will consider this and revert to the Senator in due course.

Senator Brian Ó Domhnaill welcomed the allocation of €90 million by the EU Commissioner with responsibility for agriculture to tackle childhood obesity. Senator Geraldine Feeney has sought progress on combatting eating disorders. I have no difficulty allocating time to debate these matters in the autumn.

Senator John Paul Phelan highlighted matters of concern on the Adjournment involving the Department of Health and Children. It is a reasonable request and I will pass on the views of Senators to the Minister for Health and Children today.

An Cathaoirleach: Before moving on from the Order of Business I wish to clarify that Senator Frances Fitzgerald has expressed only a general objection to the proposals for the debate on the Intoxicating Liquor Bill 2008. The Senator did not propose a specific amendment to the Order of Business. Is the Order of Business agreed?

Senator Frances Fitzgerald: I wish to make the point that the Leader has not responded to the substance of the points raised. There should be a gap between the consideration of legislation in

the House on Second Stage and Committee Stage to allow time for consultation and I oppose the Order of Business on that basis.

Senator John Paul Phelan: Hear, hear.

An Cathaoirleach: The whips can discuss that later. Is the Order of Business agreed?

Question put: “That the Order of Business be agreed to.”

The Seanad divided: Tá, 25; Níl, 16.

Tá

Boyle, Dan.
Brady, Martin.
Butler, Larry.
Carty, John.
Cassidy, Donie.
Corrigan, Maria.
Daly, Mark.
Feeney, Geraldine.
Glynn, Camillus.
Hanafin, John.
Keaveney, Cecilia.
Leyden, Terry.
MacSharry, Marc.

McDonald, Lisa.
O'Brien, Francis.
Ó Domhnaill, Brian.
Ó Murchú, Labhrás.
O'Donovan, Denis.
O'Malley, Fiona.
O'Sullivan, Ned.
Ormonde, Ann.
Phelan, Kieran.
Walsh, Jim.
White, Mary M.
Wilson, Diarmuid.

Níl

Burke, Paddy.
Buttimer, Jerry.
Coffey, Paudie.
Cummins, Maurice.
Doherty, Pearse.
Fitzgerald, Frances.
McFadden, Nicky.
Norris, David.

O'Reilly, Joe.
Phelan, John Paul.
Prendergast, Phil.
Quinn, Feargal.
Regan, Eugene.
Ross, Shane.
Twomey, Liam.
White, Alex.

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

Question declared carried.

Order of Business agreed to.

Death of Member: Expressions of Sympathy.

Senator Donie Cassidy: It is a sad morning because of the passing of our great friend, colleague and former Minister, Deputy Séamus Brennan. I personally had great admiration for Séamus Brennan as he was a wonderful statesman, a highly intelligent Member of both Dáil and Seanad and a master politician. He was an astute and capable Minister, Deputy and Member of Seanad Éireann who was interested in getting things done on behalf of his constituents and country.

He was born in County Galway in 1948 and moved to Dublin in the early 1970s. He was appointed as Fianna Fáil's general secretary by the then Taoiseach, Jack Lynch, in 1973, a position he retained until 1980. It was in this capacity as secretary of the M. J. Kennedy cumann in Castlepollard that I first got to know Séamus Brennan.

[Senator Donie Cassidy.]

He was a Member of Seanad Éireann from 1977 to 1981 and played a pivotal role in the success of Fianna Fáil in the 1977 election. He was first elected to the Dáil in 1981 and represented Dublin South from the time the constituency was created. He was re-elected at every subsequent election and topped the poll in the 2007 general election, with 13,373 votes.

Since his 1981 election, Séamus served in many Cabinet roles, including Minister for Arts, Sports and Tourism from June 2007 to May 2008; Minister for Social and Family Affairs from 2004 to 2007; Minister for Transport from June 2002 to 2004; Government Chief Whip from 1997 to 2002; Minister for Education from February 1992 to January 1993; Minister for Tourism, Transport and Communications from February 1991 to February 1992; and Minister for Tourism and Transport from July 1989 to February 1991. He also served as a Minister of State at the Department of Enterprise and Employment with special responsibility for commerce and technology and was Minister of State at the Department of Industry and Commerce with special responsibility for trade and marketing.

In one way or another, Séamus had been a Fianna Fáil front bench member for many continuous years since 1987. He was responsible for bringing about many great changes in our country, particularly for the underprivileged and pensioners. As someone who has been a Member of this House, along with some colleagues, for some considerable time, I believe he will be particularly remembered for the unwavering courtesy and good manners which he displayed to all members of political parties in each House.

Nobody was unimportant to Séamus Brennan and he treated everybody with equal respect and consideration. On a personal basis, I was very privileged to have served as Leader of Seanad Éireann from 1997 to 2002, during his tenure as Government Chief Whip. He certainly played a pivotal role in keeping that Government together, with the support of four Independents, for a full five-year term.

I owe a great debt of gratitude for the advice and guidance that Séamus always gave me. As a friend once said to me, people who are near and dear will never die. On behalf of the Fianna Fáil Party in the House and as Leader, I extend my deepest sympathy to Séamus Brennan's wife, Ann, who came from Athlone, and to his sons, four daughters, family and friends. *Ar dheis Dé go raibh a anam.*

Senator Frances Fitzgerald: It was with great sadness that I learned this morning of the death of Deputy Séamus Brennan, a former Minister who represented Dublin South. Our thoughts today are primarily with his wife, Ann, and six children, who face such a terrible loss.

Séamus battled his illness with great bravery and courage, doing his utmost to continue his public duties right up to the end. It is sad that this courteous man, a true gent of Irish politics, has passed away at such a young age. Séamus served in many ministries under three Taoisigh, including as Chief Whip and in the Departments dealing with education, commerce, transport, trade, social and family affairs and, most recently, arts, sport and tourism. It is a wonderful record of public service.

In all his ministries he went about his business in a diligent, determined and effective manner. He was a renowned constituency Deputy, as well as a national politician. He represented his constituency of Dublin South since its creation and never lost an election.

I remember how difficult it was to appear on a radio or television programme with Séamus — I will not forget the experience — as one simply could not argue with him. He explained his and the Fianna Fáil Party position and policy in a very gentle, reasonable manner and always with a smile. He had a famous smile and a wonderful way of engaging people. We all saw the effectiveness of Séamus's people and communications skills when he kept together a

Government supported by a variety of Independent Deputies from 1997 until 2002. That achievement required a certain temperament, character and understanding and an ability to reach out to people, traits which Séamus had in abundance.

Personally and on behalf of the Fine Gael Party, I extend sincere sympathies and condolences to Séamus's wife, Ann, his six children, his political colleagues in the Fianna Fáil Party and his Dublin South constituents. Ireland has lost a decent, honourable man who served the nation very well. *Ar dheis Dé go raibh a anam dílis.*

Senator Feargal Quinn: It is with great sadness that I speak on behalf of the Members of the Independent group. I heard of Séamus Brennan's organisational ability when he was general secretary of the Fianna Fáil Party a long time ago. I first came across him when he was Minister for Trade and Marketing and immediately thereafter when he became Minister for Tourism, Transport and Communications. As I had a background in tourism, I often talked, debated and negotiated with Séamus in those days. Like Senator Fitzgerald, I found it easy to talk to him and he was a very good listener who was intent on achieving successful outcomes.

At that time, I did not realise he was an accountant or that he had studied economics and commerce. When I teased him about this later — I do not particularly care for accountants — he relished it. I was impressed by Séamus's ability to confront issues in his role as Minister for Education. He did not hide from issues but faced up to them and on that occasion he faced up to vested interests. He was a very influential and convincing person which is the reason he achieved so much.

In more recent years, Séamus showed determination as Minister for Transport and expressed deep sadness at every road death. He was committed to doing something about road deaths and believed he could help.

More recently, as Minister for Social and Family Affairs, Séamus wanted to help the underprivileged and was anxious to ensure no one should be without help. This was the reason he grabbed hold of that role.

Séamus had a wonderful sense of humour. I have quoted previously a lovely comment he once made when I introduced him at a function. When I had finished he said the reason he loved to speak after me was that it was not necessary to lower the microphone because we were both the same height. As the Leader will be aware, Séamus was also an active golfer. I am sure he will reduce his handicap even further in heaven.

The first comment I heard on the radio this morning, from President McAleese, is one we should leave in our minds. The President referred to the major role Séamus had in building modern Ireland. That is the role for which we will all remember him. Our thoughts go to his wife, Ann, and their six children. The world and this House are poorer places without Séamus. *Ar dheis Dé go raibh a anam.*

Senator Alex White: On behalf of the Labour Party, I express sympathy to the family of Séamus Brennan and the Fianna Fáil Party on the sad and untimely death of Séamus this morning. As others have pointed out — although it is an understatement — Séamus was an exceptionally successfully politician over 30 years. To die at such an early age of 60 years having achieved so much in life is extraordinary. I have no doubt his family and colleagues will hold this thought dear in the years ahead.

I first came across Séamus Brennan when I was a current affairs producer on RTE many years ago. I always found Séamus to be a most amiable, personable and likeable man. Although politicians are not performing a charity in appearing on radio and television programmes because they benefit from such appearances, I always found Séamus, of all his colleagues across

[Senator Alex White.]

all parties, to be immensely approachable and very careful and considerate in terms of acquaintance with and knowledge of individual journalists and people around him. Many people from across the political spectrum ascribed this attribute to him. He was a most decent and personable man.

More recently, when I became a constituency colleague of Séamus, I found the same level of kindness and I appreciated very much the genuine interest he showed in persons of an opposing political point of view. The Leader noted the extraordinary number of votes Séamus Brennan won in Dublin South. Even in this period of success and endurance for the Fianna Fáil Party, it is an extraordinary achievement to have obtained more than 13,000 votes in a constituency in which other party colleagues were also successful. One must get up very early in the morning to take on the formidable operation in the Dublin South constituency. It was a testament to Séamus that he was such a success and so well liked in the constituency.

Recalling again my experience of Séamus when I worked in RTE, I heard the Minister for Health and Children, Deputy Harney, say on radio this morning that at one stage, when he was late for an interview in Montrose because he could not get a lift or his car let him down, he took a lift on the back of a motorbike. This anecdote is fully consistent with the type of person Séamus was.

I join the heartfelt sympathies which have been extended to the family of Séamus Brennan. As Senator Fitzgerald said, Séamus's family are uppermost in all of our minds. We have lost someone who made a major contribution to public service. We should not forget the noble opportunity we all have to give public service and Séamus Brennan did that to a very considerable extent.

Senator Dan Boyle: Séamus Brennan began his public political life as a Member of the Seanad in 1997. It is somewhat ironic that one of his last functions as Minister was to attend a debate in this House. While he had yet to announce his intentions, there were murmurings about what he might decide to do with his political future. I used the opportunity to thank him personally for his involvement, little knowing that his contribution on that day would be as valedictory as it transpired.

I remember Séamus at a number of levels. He had a disarming charm about him. I am struck by a comment made in the other House by former Deputy Joe Higgins when compared the difficulty of dealing with another politician to playing handball against a haystack. To steal that analogy, if one was playing handball with Séamus, the ball would be returned as wool because it was his nature to accept a political argument, never to react to belligerence and never to seek to deny the right of others to make an argument. These were among his greatest political strengths.

Having died at such an early age having served such a long time in public life, Séamus Brennan's political achievements will be marked in a number of ways. While he served with distinction in all the ministries he held, he will be remembered for specific achievements. As general secretary of the Fianna Fáil Party, he singularly changed the nature of political campaigning in the 1977 general election.

My recent experience with Séamus was as Opposition spokesperson in the Dáil when he was Minister for Social and Family Affairs. I found him to be co-operative and willing to listen to other arguments. More recently, when the Government was being formed and negotiations were under way on a programme for Government Séamus was always on hand to try to bring people together when voices were raised and tempers became more heated than they should have been.

My most overriding memory of that process relates not so much to the sessions that took place in Government Buildings but to our appearance on “The Week in Politics” when, after five days, negotiations had broken down. I was in a television studio in Cork and Séamus was with the main panel in the studio in Dublin. The nature of the conversation we had over the nation’s airwaves clearly indicated that negotiations were resuming. Above all else, this sums up my memories of Séamus and his ability to work towards bringing matters to a conclusion and reaching a satisfactory agreement.

Séamus Brennan will be remembered in the ways I have described by those in his party, by his constituents and by me. Ar dheis Dé go raibh a anam dílis.

Senator Fiona O’Malley: It is particularly sad to be acknowledging the contribution of a serving Member of the Oireachtas on the occasion of his death. It is incredible to think that Séamus Brennan, who was so full of life, has passed away. As the Taoiseach stated this morning, Séamus was out canvassing in favour of the Lisbon treaty recently even though he was so ill.

I have known Séamus all my life. I got to know him particularly well on family holidays in Connemara. He was a great man to give one a job, whether it was caddying for him during a round of golf or babysitting the children. He was always keen to involve one in things. My siblings and I have great memories of family holidays from that time.

When I was first elected to the Dáil, Séamus made a point of coming over to congratulate me and say how pleased he was because he had watched my progress since I was young. He was delighted that I had been bitten by the political bug and had managed to gain election to the Dáil.

Séamus was the consummate politician. He put the razzmatazz in politics and completely transformed the way in which it is conducted in this country. He was a politician upon whom one could model oneself. As the Taoiseach stated this morning, Séamus was not interested in just holding office, he also wanted to serve. He introduced innovations in each Department in which he served and this will be remembered. Everyone should follow the example of his dedication to public service.

There is one other person, other than the members of the Brennan family, who comes to mind today and that is Séamus’s right-hand man, Frank Lahiffe. One always knew that if Frank was around, Séamus would not be far away.

I was given a lift to the DART station this morning by one of the local council workers who informed me that he could not believe that Séamus had died. The man in question stated that he had seen Séamus on Dún Laoghaire pier on many occasions and that he was always prepared to stop and talk to people. Individuals from all walks of life have been touched by Séamus’s passing.

Séamus had great skills. Senator Boyle got to know him particularly well and would have witnessed his great calmness and his abilities as a deal-maker, which helped put together so many Governments.

I wish to make one political point. Those of us in the Progressive Democrats will often wonder what could have been had Séamus made the leap and joined out party. In any event, I wish to remember the wonderful service he gave to the country and offer my condolences to his family. Ar dheis Dé go raibh a anam dílis.

Senator Ann Ormonde: It was with great sadness that I heard this morning’s news. Even though I knew Séamus Brennan’s death was imminent, it nevertheless came as a great shock. I am extremely sad and find it difficult to speak.

[Senator Ann Ormonde.]

I offer my sympathies to Séamus's wife, Ann, and their six children on their terrible loss. The Fianna Fáil family has lost one of its most popular members. A man who had no enemies but who had many friends, Séamus was widely respected for his ability to get on with everyone. He had a knack of creating consensus. This was no more evident than when he served as Government Chief Whip.

It has been heartening to hear so many kind words being spoken about Séamus around Leinster House, on the airwaves and by people in the street. When the news broke at 7.30 a.m., my phone began to ring. I was contacted by large numbers of people from the constituency of Dublin South who asked me to convey their sympathies to his family when I made my contribution in the Seanad. There is real sadness in the constituency. The people there loved him and he will surely be missed by everyone who knew him. The esteem in which he was held was evident in the size of the vote he managed to attract at successive general elections.

We have an opportunity today to look back and appreciate the life of Séamus Brennan. Born in Galway, he moved to Dublin where he established his political base. I was on the ticket with him in a number of elections and I learned a great deal from him because he was a great source of knowledge. As our political careers developed, we became close friends.

Séamus first came to prominence when he was appointed as Fianna Fáil's youngest ever general secretary in 1973, a post he held until 1980. He was clearly a man of great potential. During his political career, that potential was fully realised. Séamus was first elected to the Dáil in 1981, having previously served as a Senator. He was a decent and honest man, who was liked by everyone who met him. His entire life was dedicated to politics and to the service of others. He always had time to listen to and take one's views on board and he conveyed intelligent advice when called upon to do so.

Séamus held many ministerial portfolios during his political career. He served as Minister for Social and Family Affairs, Minister for Transport, Minister of State at the Department of the Taoiseach and Government Chief Whip, Minister of State at the Department of Defence, Minister for Trade and Marketing, Minister for Education and Minister for Tourism, Transport and Communications. This list of the positions he held clearly indicates the depth of experience he gained in politics. His service to public life was greatly appreciated and will never be forgotten.

I knew Séamus as a consummate politician. I canvassed on his behalf during election campaigns and it was a pleasure to do so. He had the most professional organisation in the country. When an election came around, one would be given an area on which to focus one's canvassing and one would remain in that area and not move outside it. Séamus commanded great loyalty from the people who worked closely with him. In this regard, I particularly refer to Frank Lahiffe, whom I know very well and who is extremely sad today. Frank managed Séamus's campaigns and the person who obtains access to his database will not be a loser when it comes to contesting a general election.

We have lost a brilliant politician and a man who had such a great understanding of all the aspects of politics. Séamus was much loved and will be sadly missed. May he rest in peace.

Senator Maria Corrigan: When one hears of any death, one is always struck by the preciousness and fragility of life. That was certainly the case when I heard about the untimely death of my constituency colleague, Séamus Brennan. I wish to extend my deepest sympathies to his wife, Ann, his children, his brother, Eamon, his sister, Carmel, his other sisters and brothers, his extended family, his friends, his staff — Frank, Mary and Bobby — and his team.

I knew Séamus for many years and was always struck by, and deeply admired, his professionalism, courtesy and amazing insight into the moment and what drives that moment. Séamus devoted his entire professional life to politics and was ahead of his time in changing how we approached and undertook political campaigns.

Many tributes have been paid to Séamus's national achievements. He was honoured to have been consistently re-elected by the people of Dublin South and to have been repeatedly appointed a Minister. He will be hugely missed by the people of Dublin South. The constituency has a very warm, deep and genuine regard for him and there are many people in it whose lives are that bit better as a result of the assistance, representation and intervention made by Séamus on their behalf. For that alone, he will not be forgotten and his loss will be felt.

I met Séamus approximately four weeks ago and he said that if he could just get one or two months rest, he would not know himself and that he would be back in the thick of things. For those of us who were aware of his determination to fight his illness and, to use his own words, to be back in the thick of things, it is a reminder to us all to appreciate and make the most of every moment we are blessed to have. May Séamus rest in peace.

Senator Mary M. White: I concur with all the remembrances of Séamus Brennan. My dealings with Séamus began more than 25 years ago in the Fianna Fáil women's group. Many people in the House will not know that Séamus was an ardent supporter of women participating more fully in politics and in Fianna Fáil. In the early 1980s, the women's group in Dublin South met in a pub in the constituency and Séamus would arrive beautifully dressed in a dapper suit and with beautiful white shirt cuffs. My first memory of him is being beautifully dressed and so respectful to this small group of women who were trying to push things forward.

In the past 25 years I had the pleasure of working on every campaign to get Séamus re-elected to the Dáil Éireann. To participate in the campaigns managed by his wife Ann was something to see.

In 1993 I went forward to represent the Fianna Fáil Dublin women on the national executive and Séamus fully supported me. Senator Geraldine Feeney was elected to represent the women of Connacht-Ulster. Many people, including some in Fianna Fáil, do not realise that 20 years ago, Fianna Fáil was all for women and it had a positive programme for women. Senator Geraldine Feeney and I would not be here but for Séamus's ardent support of the women's group.

When I ran for the Seanad Séamus was fully supportive of me. When I went to the first comhairle meeting in Dublin South I was entitled, as an elected person, to sit at the top table. I was a bit embarrassed moving up to the top table but Séamus told me I deserved to be there. It was such a beautiful thing to say. I would like to share with all the politicians here the lesson he taught me when canvassing. He said one should always ask people for their vote before one leaves them. In any campaign in which I have participated, I have always asked people for their vote. Ireland and Fianna Fáil will never be the same again without Séamus.

Mary Browne, Séamus's personal secretary, was a stellar and loyal supporter to Séamus over the years. Every time I speak to Mary I tell her she is the best secretary anybody could have. Frank Lahiffe and Bobby Holland, who I would call friends of mine, were so loyal to Séamus and a great example of loyalty to the bitter end.

An Cathaoirleach: I would also like to be associated with the tributes to the late Séamus Brennan who, as has been said, was a Member of this House from 1977 to 1981, having been nominated by the then Taoiseach, Jack Lynch. I had the honour of serving with him in Fianna Fáil over a number of years. He made a huge contribution to Irish political life and to the Houses of the Oireachtas in his role as a Senator, a Deputy and a Minister in many portfolios.

[An Cathaoirleach.]

His organisational skills were exceptional. He was a safe pair of hands and he had a warm smile. His last contribution in Seanad Éireann was to statements on tourism on 24 April of this year. He was in failing health but he made a professional and detailed contribution. It would be worth people's while reading the record of that debate.

Séamus will be sadly missed by his wife Ann, his family, his colleagues in the Oireachtas and especially by the people of Dublin South who he represented so loyally for so many years. He was one of life's gentlemen. I extend my sincere sympathy to his wife, sons, daughters and family on their sad loss.

Members rose.

Sitting suspended at 12.17 p.m. and resumed at 12.30 p.m.

European Migration Network: Motion.

Senator Diarmuid Wilson: I move:

That Seanad Éireann approves the exercise by the State of the option, provided by Article 4 of the fourth Protocol set out in the Treaty of Amsterdam, to notify the Council and the Commission that it wishes to accept the following measure:

Council Decision 2008/381/2008 of 14 May 2008 establishing a European Migration Network,

a copy of which measure was laid before Seanad Éireann on 25 June, 2008."

Question put and agreed to.

Intoxicating Liquor Bill 2008: Second Stage.

Question proposed: "That the Bill be now read a Second Time."

Minister of State at the Department of Justice, Equality and Law Reform (Deputy Conor Lenihan): On behalf of the Minister for Justice, Equality and Law Reform, I thank the House for agreeing to deal with the Intoxicating Liquor Bill as an urgent matter. Senators' co-operation in this regard is greatly appreciated and assists with having the legislation enacted before the summer recess.

There is broad acceptance now that legislative reforms are needed to tackle public disorder and alcohol-related harm resulting from excessive alcohol consumption. We see evidence of this disorder and harm on our streets on a nightly and almost daily basis and in the accident and emergency departments of our hospitals, particularly at weekends.

This is a relatively short Bill that will give effect to reforms recommended by the Government alcohol advisory group. The strategy underpinning the Bill tackles the increased visibility and availability of alcohol through retail outlets with off-licences, while tightening the conditions under which premises with on-licences qualify for special exemption orders permitting them to remain open beyond normal licensing hours.

Ireland has one of the highest alcohol consumption levels in the European Union. Average consumption of pure alcohol per person over 15 years of age in 2006 was 13.36 litres. This means that each person aged 15 and over consumed an average of 20.8 standard units of alcohol per week. Since the recommended maximum weekly consumption levels are 14 units for women and 21 for men, this means that many people are drinking more than the recommended limits.

When the fact that up to 20% of adults do not consume alcohol at all is taken into account, it means that the quantities consumed by those who do are even greater.

Ireland also stands out as having a particular problem with binge drinking. The 2007 Eurobarometer survey found that 34% of Irish drinkers consumed five or more alcoholic drinks in one sitting, compared with the EU average of 10%. When asked about the frequency of consuming five or more drinks on one occasion, 54% of respondents in Ireland stated that they did so at least once a week. This was the highest figure recorded in the survey. Abuse of alcohol is also common among young persons under 18 years of age. The 2006 national study of health behaviour in school-aged children found that half of those aged 15 to 17 reported being current drinkers and over a third reported having been very drunk in the previous 30 days.

The recent HSE report on alcohol related harm in Ireland has brought together various data to illustrate the consequences of alcohol abuse in health and other areas. It makes for uncomfortable reading. For example, some 28% of all injury attendances in accident and emergency departments in acute hospitals are alcohol related, alcohol was a contributory factor in 36% of all fatal crashes, it was involved in a quarter of severe domestic abuse cases and some 46% of those who committed homicide were intoxicated at the time. In addition, there are serious public order issues arising from excessive alcohol consumption. Adult offences for intoxication in a public place have doubled in the period 1999-2005 and juvenile offences have almost trebled during the same period.

It was against this background that the Government established the Government alcohol advisory group in January last. The group was asked to examine key aspects of the law governing the sale and consumption of alcohol, with particular reference to public order issues.

The proposals in the Bill, taken together, represent a coherent and carefully balanced package of practical reforms which are designed to reduce access to alcohol, including its visibility within retail outlets, while at the same time strengthening measures to tackle public disorder and antisocial behaviour on the streets and in our communities. A Bill to curtail the abuse and excessive consumption of alcohol would not be complete if it did not address the public order problems that are so often associated with excessive consumption.

The Bill therefore identifies two specific areas where action is both possible and necessary. The first concerns the possession of alcohol by young persons under 18 years and its removal by the Garda Síochána. The second is where the presence of alcohol is likely to result in annoyance, nuisance or a breach of the peace or where there are concerns for the safety of persons or property. In such cases, the Garda is given powers to seize the alcohol and move on the persons concerned.

Provisions relating to persons under 18 years are set out in section 14. They apply to situations where under-18s are found in possession of alcohol in a place other than a place used as a private dwelling. This could encompass the public street, a river bank, an unoccupied or derelict dwelling or a building site. Part IV of the Intoxicating Liquor Act 1988 already makes it illegal for a person under 18 years to buy alcohol or to consume it in any place outside the home or in another person's home where they are present by right or with permission.

Section 14 adds a new section 37A to Part IV. Under this new section, where a garda suspects that a person is under 18 years and that the person, or anyone accompanying him or her, is in possession of alcohol for the purpose of consuming it in a place other than a place used as a private dwelling, the garda may seek an explanation and, if not satisfied with the reply, may seize the alcohol. A number of steps are required. The garda will first ask that the alcohol be handed over voluntarily. Where that does not happen, the garda will give a warning that he or she may arrest the person and seize the alcohol and may use such force as is necessary to do so. A person who fails to co-operate in either handing over the alcohol or in giving details of

[Deputy Conor Lenihan.]

his or her name, address and age may be arrested and charged with an offence. On conviction, section 37A provides for a fine of up to €500. The garda must make and retain a record of any alcohol seized and disposed of.

Section 19 provides for the second major element of the public order aspects of the Bill. It amends the Criminal Justice (Public Order) Act 1994 by inserting a new section 8A. This new section is intended to deal with persons of any age who are in possession of alcohol in a place other than a place that is used as a private dwelling and who a garda believes are causing, or are likely to cause, a nuisance or annoyance to others or there is, or there is likely to be, a danger to persons or property or a breach of the peace. In these circumstances, the Bill gives the garda powers to seize the alcohol and authority to direct the persons to desist from their activities and to move on. In this section, “place” has the same broad meaning as in the new section 37A. The procedures to be followed by the garda are the same as those in section 37A, which I have already outlined. As in the new section 37A, failure to co-operate with a request to hand over the alcohol or to give name and address is an offence with a maximum fine of €500. The maximum fine in the case of failure to comply with a direction to desist from the activities or to move on is €1,000.

Powers of entry for the purposes of operating the new sections 37A and 8A are set out in the new sections 37B and 8B, respectively. We are referring here to entry into, for example, unoccupied houses and flats, derelict sites or building sites. As Senators will be aware, our Constitution makes very clear provision on the inviolability of a domestic residence. The powers being granted here take full account of that provision but ensure that gardaí are given a clear basis on which they can use the powers granted by the new sections 37A and 8A. A garda must have reasonable grounds for believing that either sections 37A or 8A applies before exercising the entry powers under sections 37B or 8B, as the case may be. It may not become clear until after entry has been completed whether it is section 37A, that is, the person is under 18 years, or section 8A which applies. The entry provisions are framed to deal with that situation by requiring that the garda be satisfied before entry that one or both sections will apply.

I will elaborate on these new Garda powers to seize alcohol. These powers are additional to existing powers to deal with public order offences. The real benefit of the new powers is that they will permit early intervention by gardaí and will help to prevent offences from taking place. Where the parties co-operate with gardaí, the matter ends there. The question of arrests and prosecutions arises only where there is resistance or a failure to co-operate. These new powers will therefore not only assist gardaí in responding to and preventing unacceptable behaviour but they will have the potential to enable gardaí to achieve that end, while reducing the time consuming activities associated with prosecutions and court appearances. From the offender’s perspective, he or she will avoid a criminal record by co-operating with a garda in the exercise of these new powers.

Senators will note that the procedural requirements to be followed, including the warnings to be given by a garda, are set out in a detailed manner in both sections 37A and 8A. The Minister attaches considerable importance to this aspect of the new provisions. The explicit description of the procedural steps to be followed is intended to ensure that even where the opportunity for judicial supervision does not arise, such as when the parties concerned co-operate with the garda and, as a result, no court proceedings are involved, we can nevertheless be reasonably satisfied that due process has been observed.

Sections 12 and 18 introduce revised definitions of “bottle or container” for the purposes of the 1988 and 1994 Acts. This will ensure a consistent approach.

In regard to public order matters, the Minister is responding to another of the advisory group's recommendations by advancing arrangements to introduce fixed charge penalties for offences under sections 4, intoxication in a public place, and 5, disorderly conduct in a public place, of the Criminal Justice (Public Order) Act 1994. Provision was made for these charges in section 184 of the Criminal Justice Act 2006 and this Bill contains certain technical amendments on the administration of the fixed charge system, including arrangements for payment of the charges. These are set out in sections 20 and 21. It is important that we recognise the significance of the introduction of fixed charges in this area. Although they have applied for some time in the case of certain road offences, this is the first time we have applied them to public order offences. The arrangement has potential benefits for all concerned. The offender avoids a criminal record and pays a charge that is significant but in all probability lower than the fine that might have been imposed by the courts. An offender who disputes the charge retains his or her right to go to court and to have the matter settled there. Needless to say, any offender who fails to pay the charge will be prosecuted for the original offence. The system also has benefits for the Garda and the courts. It provides the Garda with an additional option which may be more appropriate in many cases while remaining a deterrent. It will reduce the time spent on administration and in court. This approach has potential for further development but it will be necessary to evaluate these first steps before considering any expansion of the system to other offences.

Senators will be aware of the significant increase in the number of supermarkets, convenience stores and petrol stations with off-licences in recent years. At the same time, there has been a remarkable increase in the scale and frequency of alcohol promotions and price discounts. The result has been a marked increase in alcohol availability and, especially, its visibility within these mixed trading premises. There are basically three types of off-licence, which correspond to the three main categories of alcohol products, namely, spirits, beer and wine. Specialist off-licences, supermarkets and many convenience stores hold all three licences and can therefore sell all types of alcohol. Other retail outlets may have a licence to sell wine only.

To obtain the necessary off-licences to sell spirits and beer, an applicant must apply to the District Court for a certificate which, if granted, is then presented to the Revenue Commissioners and a licence is issued subject to tax compliance requirements. The District Court will not issue the required certificate unless the applicant satisfies the court that an existing licence holder, usually the holder of a public house licence, is willing to extinguish an existing licence when the new licences are issued. Grant of the certificate is also dependent on the court not accepting an objection on any of the grounds on which an objection can be lodged. At present, neither a District Court certificate nor extinguishment of an existing licence is required to obtain a wine only off-licence, which are issued directly to applicants by the Revenue Commissioners. In 2001, the Revenue Commissioners issued off-licences permitting the sale of spirits and beer to about 790 outlets. This had increased by about 70% to more than 1,300 outlets by 2007. The number of wine only off-licences almost trebled over the same period, with more than 3,600 wine only off-licences issued in 2007. This is the background against which the advisory group formulated its recommendation to restrict both the supply and visibility of alcohol in mixed trading premises.

Section 4 proposes to restrict off-sales of alcohol to the period between 10.30 a.m. and 10.00 p.m., or 12.30 p.m. and 10.00 p.m. on Sundays and Saint Patrick's Day. This new restriction will apply to premises with on-licences as well as off-licences. Section 3 repeals the existing provision which permits the sale of alcohol from 7.30 a.m. in supermarkets, convenience stores and petrol stations. These proposals will reduce the time during which mixed trading premises are permitted to sell alcohol by 29 hours per week. Existing prohibitions on the sale of alcohol on Christmas Day and Good Friday will remain in place.

[Deputy Conor Lenihan.]

Section 5 amends existing statutory provisions pertaining to general exemption orders or early morning houses. It provides that in future such orders shall only be granted to licensed premises which were already availing of the facility on 30 May 2008, that is, the date of publication of the Bill. The sale of alcohol for consumption off such premises before 10.30 a.m. is prohibited under section 4.

Section 6 provides that following implementation of this legislation an applicant for a wine off-licence will require a District Court certificate. This requirement already applies to applications for spirits and beer off-licences.

Section 7 provides for the possibility of lodging an objection to the grant of a District Court certificate for any off-licence on any of the following grounds: the character of the applicant; the appropriateness of the premises; the needs of persons residing in the area; and the adequacy of the number of licensed outlets already in the area. At present, objections to certificates for spirits and beer off-licences are generally limited to the character of the applicant and the suitability of the premises. The new provisions will permit the Garda or local residents to object on the grounds that an off-licence is not required to meet residents' needs or because there are already enough off-licences in the neighbourhood.

Subsection (2) provides that the District Court may require the installation or operation during licensing hours of a closed circuit television system on granting a certificate. This is intended to deter people from loitering in the vicinity of off-licences and to combat secondary purchasing, namely, where under-age persons try to persuade or pressurise adults to purchase alcohol for them.

Implementation of sections 6 and 7 will remove differences of treatment between premises seeking on-licences and those seeking off-licences and between off-licences selling all alcohol products and those selling wine only. Section 8 is a technical proposal that gives jurisdiction to the District Court in respect of granting a certificate for a wine off-licence and provides for giving advance notice of applications for such licences.

Section 9 contains proposals for the separation of alcohol products from other products in premises engaged in mixed trading, namely, supermarkets, convenience stores and petrol stations. It provides that alcohol shall be displayed and sold in a separate area of the premises to which access is controlled. Where structural separation is not feasible, for example because of the size of the premises, alcohol products other than wine must be displayed and sold from a part of the premises where public access is prohibited, namely, from behind a counter. Structural separation will not apply to specialist off-licences or to duty free shops. As implementation of the structural separation provisions may require structural alterations within premises, the Bill provides for delayed implementation of section 9. The advisory group's recommendation for structural separation of alcohol products was motivated by its concerns that the display and sale of alcohol side by side with ordinary foods such as milk and bread serves to create the impression that alcohol is an ordinary grocery product. It also exposes children to alcohol products at an early age. Restricting sale and display to a separate area will emphasise the difference between products which require a licence for sale and those which do not require any such authorisation.

Following publication of the Bill, the Minister for Justice, Equality and Law Reform, Deputy Dermot Ahern, held discussions with the trade organisations representing supermarkets and convenience stores on the structural separation proposals and their impact. During these discussions, the bodies concerned offered to implement an agreed voluntary code of practice as an alternative to implementation of section 9. The code would cover issues such as the location and display of alcohol within premises, signage, warning signs, in-store advertising as well as

staff training standards. Implementation would be overseen and enforced through an independent audit and verification mechanism.

The Minister subsequently indicated the possibility of deferring implementation of section 9 if the following conditions are satisfied: agreement can be reached on the contents of the code and the necessary level of support for its strict implementation across the mixed trading sector is forthcoming; if the Minister can be satisfied that the proposed code would achieve in effect what we have set out to achieve through structural separation and, if the code is subject to independent verification on an annual basis. The Minister went on to say that if independent verification of compliance were to show that the code is being implemented effectively across the country and achieving in effect what the Government set out to achieve through structural separation, it might not be necessary to commence section 9. However, if the relevant conditions were not met, the Minister confirmed that he would not hesitate to commence the provision.

Section 10 amends existing statutory provisions under which the District Court may grant special exemption orders which permit extended opening hours for special occasions. The conditions under which such orders can be granted are being amended to require the operation of a CCTV system at venues where the public is admitted, namely, nightclubs and late bars, and to require that all door supervisors on duty at events covered by such orders hold the required licence under the Private Security Services Act 2004.

The public order ground on which objection may be made by the Garda to the grant of such orders is also being strengthened. Moreover, the District Court shall not grant such orders in future unless satisfied that the premises concerned comply with fire safety standards under the Building Control Act 1990. Some courts already insist on compliance with relevant fire safety standards but the proposal now is that compliance will be mandatory in all cases.

Section 11 deals with the sale of alcohol in premises with theatre licences. Under existing rules, such licences may be obtained from the Revenue Commissions without any court certificate and the normal licensing hours do not apply. In theatres, the sale of alcohol is permitted both before and after performances. The result is that premises with theatre licences often remain open until 3.30 a.m. or 4.00 a.m. which is long after other premises operating on the basis of special exemption orders have closed their doors. This has created a strong incentive for nightclubs and other late-night venues to obtain theatre licences and circumvent the special exemption order provisions. There has been a very significant increase in the number of theatre licences issued so far this year. In 2006 and again in 2007, a total of 76 theatre licences were issued by the Revenue Commissioners of which 36 were in Dublin. The reforms in section 11 will mean that the sale of alcohol before and after performances will only be permitted during normal licensing hours or during extended opening hours under a special exemption order granted by the District Court. This will enable the Garda to object to any such orders on public order grounds and will ensure compliance with fire safety standards. In short, it is intended that there will be equality of treatment for all premises operating as late-night venues.

Section 14 provides for the introduction of test purchasing of alcohol products in the New Section 37C to be inserted in the Intoxicating Liquor Act 1988. It provides that the Garda will be permitted to send a person aged 15, 16 or 17 years into a licensed premises for the purpose of seeking to purchase or being permitted to consume alcohol. Written consent of a parent or guardian will be required in all cases and all reasonable steps must be taken to protect the young person concerned. Test purchasing will be implemented in accordance with guidelines to be issued following consultation with the Garda Commissioner and the Department of Health and Children. It is hoped that this measure will lead to greater use of the Garda age card and to a stronger culture of compliance with provisions regarding under age persons.

[Deputy Conor Lenihan.]

Sections 13 and 15 provide, as recommended by the advisory group, for a minimum two-day closure in respect of temporary closure orders made by the District Court on the conviction of licensees for certain licensing offences. The relevant offences include the sale of alcohol to a person under 18 years and permitting drunkenness and disorderly conduct on the premises. Currently, the law provides that the closure period may not exceed seven days in respect of a first offence but does not specify any minimum period. The advisory group stated in its report that in some cases the courts had imposed closure orders of only a few hours. Such closure orders do not represent an effective deterrent.

Section 16 provides for the making of regulations which may prohibit or restrict the advertising, promotion, sale or supply of alcohol at reduced prices to reduce the risk of a threat to public order and for health-related risks arising from the excessive consumption of alcohol.

1 o'clock Reduced price in this context will include the award, directly or indirectly, of bonus points, loyalty card points or any similar benefits and the use of such points or benefit to obtain alcohol or any other product or service at a reduced price or free of charge. Permitting excessive consumption of alcohol at events held anywhere other than in a private residence is also covered by this provision. Making regulations at a later date to deal with these matters will facilitate advance communication of draft provisions to the European Commission under the EU standards directives.

Section 17 provides for increases in fines for certain licensing offences set out in Schedule 1. These include the sale or provision of alcohol to a person under 18 years and permitting drunkenness and disorderly conduct on licensed premises. Section 22 provides for increases in the fines levels in the Criminal Justice (Public Order) Act 1994 as set out in Schedule 2. This short, but strategic Bill is intended to tackle public disorder and health-related harm resulting from excessive alcohol consumption. I commend this Bill to the House.

With the permission of the Leas-Chathaoirleach I thank Members for their kind and generous remarks in regard to my late ministerial colleague, Deputy Seamus Brennan of whom I have fond memories. He was very kind to me as a young candidate and gave me great advice on how to organise myself when seeking election. I will never forget him for that.

An Leas-Chathaoirleach: I, too, wish to be associated with the expressions of sympathy to the family of the late Deputy Seamus Brennan who was also a former Member of this House.

Senator Eugene Regan: I add my voice to the expressions of sympathy on the death of former Minister, Deputy Seamus Brennan. I recall his courage in dealing with difficulties within his party and the stance he took in terms of standards in public life. That is my abiding memory of the man.

I thank the Minister of State for his presentation of this Bill. However, I disagree with the point made by him that we agreed to deal with this legislation as a matter of urgency. This House is being forced to rush through this legislation as was the Dáil when this Bill was guillotined resulting in only 13 of the 56 amendments tabled being debated. I do not know if the Minister of State is listening to me.

The Minister of State indicated that we had agreed to deal with this Bill as a matter of urgency, but that was forced on this House by the procedures adopted by the Government. It is therefore being debated here under the strongest possible objections from this party on a point of principle. Legislation should not be pushed through without adequate consideration, opportunity for public consultation, consideration of amendments and debate. I wish to make known my objections in that regard.

The Bill itself reflects in large measure the recommendations of the report of the Government alcohol advisory group, which reported on 31 March this year, dealing with the increase in off-licenses granted to supermarkets, convenience stores and petrol stations. The increased number of special exemption orders was noted and the existing enforcement measures were found not to be adequate. The report called for a number of reforms, including the granting of certain off-licences by the District Court rather than the Revenue Commissioners, changes to hours of opening and the physical separation of alcohol from non-alcohol products in mixed trading premises. It also recommended the implementation of test purchasing and certain conditions to be applied with regard to granting licences, including the possibility of a requirement that CCTV systems be put in place. Many of these recommendations are appropriate. It was also recommended that early house licences be abolished, but the Minister has now resiled from the proposal, and I concur with that decision. It also recommended increases in fines and that where local authorities had not adopted by-laws prohibiting the consumption of alcohol in public places under section 19 of the Local Government Act 2001, they should do so.

The backdrop to the Bill is the large increase in licences and special exemption orders in the past five years, the trebling in the number of off-licences in the past seven years, and the dramatic increase in public order offences — 60% in five years — which is linked to these to a certain extent. There is a high level of alcohol consumption in Ireland, but it is also important to note that the rise in consumption which was evident for many years reached a plateau in 2006. These measures are being adopted in the context of an overall stabilisation in consumption. A thousand public houses have closed down in the past three years. When we consider the extent of the increase in off-licences, we can see there is an issue of competition. There are also issues of public order and enforcement, about which the report of the advisory group made specific recommendations. The Bill endeavours to deal with these.

The fact that pubs and nightclubs provide a controlled and safe environment for socialising and drinking is often overlooked. Restricting the supply of alcohol to mature adults does not necessarily reduce demand. The “Big Brother” approach does not work. Restricting closing times, as we know from past experience, merely induces over-drinking before or at closing times. In some sense the measures take us back to the 1970s, when there was a curtailment in the availability of alcohol to adults, but there was no evidence that it reduced consumption. The main objective of the Bill is to deal with the issue of public order offences associated with late-night pubs and nightclubs. However, it makes matters worse in that regard because we know that common closing times, at which many people exit premises at the same time, result in problems. We are now harmonising closing times for every premises and that is where this legislation is fundamentally flawed. For this reason in particular, it is unfortunate that the Government did not allow proper time for debate on this Bill.

There is the issue of an identification system to prevent under-age purchasing of alcohol at off-licences. Now that we are introducing a system of test purchasing, there is a problem for off-licence owners who will be subjected to this system despite the absence of an adequate identification system. Many under-age purchases from off-licences are facilitated by persons over 18 who purchase alcohol for minors. The Bill fails to address this. It also fails to deal with direct deliveries. People can order alcohol to be delivered to their homes and this can be done by under-age persons. There is no provision to curtail this practice.

The Bill fails to regularise the licensing laws, which was one of its objectives. It adopts a “Big Brother” approach on closing times and threatens to worsen public disorder with its insistence on common closing times. It does not deal adequately with the issue of under-age drinking.

[Senator Eugene Regan.]

If the Government was of a mind to consider properly amendments that may be put to it, there would be time for proper consideration. We are now transferring to the courts, as distinct from the Revenue Commissioners, the onus of awarding licences. The court application must be attended by a Garda sergeant or superintendent from each Garda station in the district in which a licence is being applied for. There might be 20, 30 or 40 members of the Garda Síochána in a court. Even if they are not objecting to a licence they must be present. In view of the scarcity of Garda resources, it should be provided for in the Bill that a garda can be designated to cover more than his or her own district. This would obviate the need for the tying up of so many gardaí in the awarding of licences. Now that the onus is on the District Court to deal with a whole array of licences, it is important that resources are made available to the courts to do so. I understand that a code for small retailers may be agreed regarding the logistics of partitioning premises. There is also the mixed trading house and specialist off-licence exemption and the lines of distinction between these types of premises is blurred. This issue should be dealt with and further consideration of it is needed in this Bill.

The Bill does not take up a number of points that were in the advisory report, including adequate training standards for staff involved in the sale of alcohol, a minimum age for people selling alcohol in licensed and mixed-trading premises and the issue of young people serving in licensed premises.

By failing to maintain the existing approach of the sequential closing of late-night premises and nightclubs this proposed legislation undermines the very objective sought by the advisory group and the Bill itself. The stated objective of the Minister is to address the issue of public order offences. I noticed in the debate in the Lower House references to practices in other jurisdictions but the only example used is Northern Ireland. Sequential closing is of fundamental importance and the Garda has gone on record to point this out. By failing to deal with this issue the credibility and objective of the legislation are undermined.

In introducing the Bill the Minister stated that it addresses “the public order and licensing aspects of our national problem with drink”. The reality is that the Bill does not do this — it is regressive, rather than progressive in this regard and I will table amendments to reflect some of the points I have made.

Senator Denis O'Donovan: I am glad to have the opportunity to speak on this Bill. Like the previous speakers, I express my sincere sympathy for the family of Séamus Brennan, former Senator and Member of the other House.

I welcome the Minister of State at the Department of Community, Rural and Gaeltacht Affairs, Deputy John Curran, to the House. This is the first time I have spoken here while he has been present and I am delighted he received his well-deserved promotion. As one who served with him in the Lower House for the past five years I have great admiration for his abilities. It is great to see people of his ilk being recognised.

It is a sad reflection on Irish society that, basically, we are a nation of alcoholics. We are probably second worst in Europe in this regard and there is no point denying this. One may quote the statistic that 20% of people here do not drink — good luck to them, I wish the figure was twice as high — but, as a parent, it is frightening that instead of alcohol consumption being curtailed in the past two decades it has increased. The statistics are frightening.

I understand the concerns of the Opposition, their wish to delay passage of the Bill and their unwillingness to accept the guillotine proposed for tomorrow. I said on the Order of Business today that I have no objection to this House sitting next Tuesday and Wednesday, if necessary, to deal with Committee and Report Stages if the House so desires. That said, some of these

issues have been in the public domain for some time. Realistically, two or three lobby groups have certain agendas and wish to steer us in a particular direction regarding amendments and so on.

A number of important areas of this Bill should be praised. Up to this Bill there has been abuse of theatre licences. Theatre licences were probably introduced for a good reason but they have been exploited. This year more than 100 applications for theatre licences are before the Revenue Commissioners but I doubt there are even 100 theatres in the country. If there are, I doubt these theatres seek the licences. Certain establishments, including lap dance clubs, have availed of this loophole so I am delighted it is to be closed.

I am not the oldest Member of this House, I suppose I am somewhere in the middle. When I went dancing in my youth alcohol was not allowed in the dancing establishments and if one showed signs of having consumed it one would not gain entrance. As a practising solicitor, I remember when if an establishment sought a special exemption it had to provide a substantial meal to patrons. This requirement has only been changed in recent years. There must be restrictions. Once these ridiculous theatre licences have been sidelined greater flexibility in nightclub closing times could be sought. I think the Minister proposes that closing time for nightclubs should be 2.30 a.m. with half an hour of drinking time and, by and large, this seems reasonable. I would not have a problem if closing time was 3 a.m. but I do not think nightclubs should stay open until 4 a.m. or 5 a.m. It is said that it takes half an hour to clear a premises but I sometimes pick up one of my children from a disco and, to my knowledge, the aftermath can go on for an hour to an hour and a half.

There is a problem with public order and this Bill may not resolve it. It may take further legislation this year or next year to stymie societal problems relating to drink and if this is the case it should be welcomed. Much of this relates to attitudes; Senator Regan is correct to point out that while we could close discos at midnight and pubs at 10 p.m. if people are intent on obtaining alcohol, as in the prohibition period in late 1920s America, they will get it anyway. There must be rules and regulations.

When this legislation was first mooted there was a threat to early house licences. There are about 46 early houses in the country and, in his wisdom, the Minister has decided not to do away with them. From time to time I have lived in large urban areas in Ireland and abroad and I understand that people who regularly work night shifts may wish to relax by having one or two drinks in the morning. I have no problem with this as long as it is not abused. I have done some research into this and, to my knowledge, most of the public houses that open early are well run and there are rarely problems.

There are several small mini markets in my constituency; I am not talking about Tesco, Lidl or Aldi but supermarkets of up to 3,000 sq. ft. It was proposed in the legislation that alcoholic drink products should be segregated from other products, that they should not be displayed in the same area as bread and other groceries, but I am glad the Minister has allowed latitude on this in the Bill. The retailers in question are to operate under a code of conduct. The Minister is, laudably, putting the legislation in place as a warning to retailers. It will not be strictly enforced and if retailers can work within a code of conduct the Minister will address the area in a sensible and practical fashion. I would fear that in places around west Cork, including Schull, Castletownbere, Rosscarbery and Dunmanway, where one or two such establishments are in town, it could cost retailers up to €100,000, and perhaps more, to provide a till totally segregated from the rest of the shop. This would be an extraordinary and inordinate expense to impose on any small retailer.

It is not long since we introduced the rule that one must apply to the District Court to obtain a wine licence. An advisory group was set up to consider such issues. The number of wine

[Senator Denis O'Donovan.]

licences issued has increased substantially in the past five or six years. The rule that one must apply to the District Court for a wine licence is probably a good handbrake measure and it is sensible given the increase in the number being issued. Most applications are relatively simple and the licences must be renewed annually. From my experience of the District Court, the application process is a formality once there is no objection by the Garda or some party with a reason to object.

The Minister of State might consider the cost of applying for special exemptions, which has increased to €410 from €210. This is probably not an exorbitant increase but it could become a problem for a nightclub operating five or six nights per week, which must pay €410 plus the legal costs each night it opens. Most nightclubs in my area restrict their opening to the weekends.

One critical measure in the Bill is that the Garda will have the power to confiscate drink from young people and apply a sort of penalty points system or impose an on-the-spot fine. This is appropriate in respect of minor drink-related offences. If, as we say in regard to Gaelic games, there is a bit of “handbagging”, or pushing and shoving or messing around by young fellows that is not too serious outside a disco, the Garda can impose a fine on them. The nature of the fine has yet to be decided but it is a good provision because it is not the intention to drag people into court over very minor issues.

It is ridiculous and unfortunate that, in some instances, customers of some of the bigger stores used bonus points accumulated on their other purchases to purchase alcohol. This practice is being banned in the Bill. We can listen to criticism but, overall, we must acknowledge there are many salient features in the Bill. I welcome it and, if there is a problem completing Committee, Report and Final Stages tomorrow, I will not have a problem sitting next week. It is critical that we deal with the Bill before the summer recess. I object strenuously to the postponement of the Bill until October. If there is a problem with time, let us sit next week.

Senator Feargal Quinn: I wish to share my time with Senator Norris.

An Leas-Chathaoirleach: Is that agreed? Agreed.

Senator Feargal Quinn: I welcome the Minister of State, Deputy Curran, before whom I have not had the pleasure of addressing the House before now.

I have significant problems with this Bill. While we must face up to a considerable challenge regarding alcohol, I regard the Bill as rushed legislation of the worst kind. The alcohol advisory group, chaired by Dr. Gordon Holmes, was given five weeks in January to make a submission before March. Since then, the Minister has sprung the Bill on us and has not given us enough time to deal with it.

Senator O'Donovan stated that we can sit next week. However, this is no good because, if we have amendments, the time frame is such that they will not be considered seriously. Even if the Minister was tempted to accept one of our laudable amendments, he would not do so because the Dáil will be in recess.

While the Bill is rushed legislation of the worst kind, there are many other reasons it is not acceptable. We have a significant problem with alcohol. I proposed some years ago that we should place a levy on alcohol advertising in sports promotion — there was an article on this some time ago in *The Irish Times*.

Senator David Norris: Hear, hear.

Senator Feargal Quinn: There should be a 100% levy on the advertising spend, all of which would go to an anti-alcohol lobby group. This is the real solution and it is achievable. If we are to attempt to solve the problem of public disorder, this is the kind of step we must take.

I am sure there is a great deal in the legislation that is very valid and sensible and I will not cover matters that have already been touched upon. My main concern is that the legislation is rushed and does not provide for a regulatory impact analysis. We agreed years ago that no legislation should come through the Houses without such provision. I am told the likely cost to supermarkets and other shops of what is proposed in the legislation, which may not be commenced at this stage, is €200 million. The structures the shops would have to put in place would not even be manufactured in Ireland because we no longer have the sort of industry required. The materials would have to be imported from abroad. The legislation is very bad in that it suggests approaches and does not go ahead with them. The failure to include provision for a regulatory impact analysis is the principal reason the legislation should be delayed.

I do not condemn every aspect of the Bill. I gather the Minister listened to several points that were made thereon. That he had to make adjustments is significant. Consider, for example, the provision regarding early morning pubs. Quite sensibly, this has been dropped, as Senator O'Donovan and others stated. The provision regarding structural divisions has not been dropped but as a test it will not be commenced. The case of the nightclubs has been heard and listened to. These are some of the matters that lead me to believe the Bill should not have been proceeded with. I hope the Minister will consider seriously its postponement tomorrow on Committee Stage, provided we get a chance to proceed that far.

I am pleased with the provision on advertising in that the failure to address it presented a clear danger. This danger is the reason I am so opposed to the promotion of alcohol, particularly given that the aim of the Bill is to tackle public disorder, as the Minister stated. We must address this problem.

It seems it is mandatory in every other European country to carry an age card but this is not provided for in the Bill. It is very simple to provide for this and I cannot understand why we have not done so. This could have been one simple measure to address public disorder, particularly among the young. The necessary technology exists and this would have reduced the cost. I understand all those in the business are genuinely concerned about the issue of identification.

I am concerned about the applications for wine licences in the District Court, which is a technical matter. The owner of a couple of supermarkets with wine licences must now go to the District Court to renew them, thus incurring extra costs. The Bill refers to the "good character" of applicants. However, if they already have a couple of wine licences, why must they apply to the District Court if they require another? This should be re-examined seriously.

I have a query in respect of the provision on minimum times for closure. I can understand the reason for a judge to state that one must close down for a certain length of time and a minimum time of two days now is being specified. In the game of rugby, it was very hard to send off a player in a match because once one of the 15 players had been sent off, the game ended as there was no chance for that team. The rugby authorities introduced the sin bin, which was a marvellous solution. Although it punished those who had been bold by putting them off the field of play for ten minutes, the game continued. A minimum time of two days is not necessary. Judges will decide not to close down a big supermarket for that length of time simply because it made a mistake. They will close them down for an afternoon, a morning or something similar. Consequently, I do not believe such a specified minimum time is required.

I support the Bill's objectives but disagree with the manner in which it has been introduced.

Senator David Norris: I thank Senator Quinn for sharing his time with me and, following the changing of the guard, I welcome the Minister of State at the Department of the Environment, Heritage and Local Government, Deputy Micheál Kitt. Numerous Ministers of State are coming and going.

Although the Minister of State's speech summed up the problem well, this constitutes a weak method of addressing it and does not go half far enough. He indicated problems with which all Members are familiar. There is a problem regarding excessive drinking in Ireland that leads to all kinds of social disorder. The reason is known, namely, availability and price. The Government has done nothing for years on price. It now has begun to act at the margins of availability and this limited initiative is to be welcomed.

I refer to licensing and the reference to the District Court. I got into great trouble because I stated on television that I did not know what kind of lunatics were handing out licences. I stated they seemed to be handing them out like Smarties, were merely rubber-stamping the applications and that I had seen this in court. While this was the case, it was 15 years ago and at the time I made the remarks only one person was engaged in this process. Although I did not know of his existence and had not heard of his name, he sued. While that was the Judiciary's response, its members should have considered the situation. I repeat the phrase, "rubber stamp". While 40 gardaí may be involved in respect of applications from approximately 100 people, the gardaí usually do not even give evidence.

The Minister of State should recommend what should happen for inclusion in this Bill or a subsequent one. The Garda should be present and should be represented by gardaí with knowledge. If a single garda is to be responsible for a series of areas, that officer must be supplied with the information. Moreover, a certificate should be issued each year stating that a particular pub has not transgressed. It was a rubber stamp previously and I stand over that. Moreover, it still is. I recall a case in which the local community, the Garda and the civic authorities objected to a licence for a premises that was sending people who were absolutely stocious spewing out on to the streets of inner city Dublin. Although all three elements objected, the licence was granted. One is entitled to know the reason. Perhaps the judge was constrained or perhaps the gardaí had not been obliged to give evidence. However, even when they did, it was not taken into account and this is worrying.

I am pleased the Bill includes provisions to take drink from people. Such provisions existed years ago, when I was a child. They may have been under the Vagrancy Acts or similar measures that may have been abolished. However, there is a place in Marlborough Street, close to where I live in the north inner city, that looks after drunks and druggies. At a certain hour, they are moved on and a herd of them migrate. They collect extra supplies from Booze 2 Go and sit on the steps in North Great George's Street. The 18th century houses there have wide steps that serve as a nice platform for them. They urinate, excrete, have sex and do everything else on the steps and no one does a thing about it. Why? This must be addressed.

The problem also arises from the fact that the abolition of the groceries order was a terrible mistake that encouraged below-cost selling by supermarkets, which promoted themselves using alcohol sales. Every little huxter's shop in Dublin stocks beer, wine and spirits up to its rafters. While the issue is addressed to some extent in this Bill, this is not due to idealism but to the strength of the drinks lobby and is to even the playing field for publicans.

I have been briefed by people from the nightclub industry and am partially, if not 100%, sympathetic. I do not care whether people drink or whether drink is available around the clock. It is not a question of when people drink, but of their behaviour. As long as nightclubs are managed well, I do not care a damn. It has been put to me that the reduced opening times on Sundays will put a large number of people out of work and the Minister should reconsider this

proposal. Moreover, it is regulating the behaviour of the proprietors. I happen to know the people who briefed me on this issue. They are well-established and come from good background.

I also note that a section deals with containers. This legislation was rushed and the National Youth Council was not involved, although it should have been. The advice given by various professional groups was either lumped in or ignored. However, for example, a suggestion had been made that, arising from the other aspects of nuisance, that is, the distribution of containers, bottles, empties and so on around the place, there should be a point of sale indicator on them. In other words, there should be some form of labelling so that one could identify where such items were bought. This is an important point and I ask the reason it was not included in the Bill.

I probably will table two amendments, although it possibly is futile. The first will require certificates from the Garda because there is no point in having 40 gardaí in court if, as I witnessed, they are never asked a question about the reputation of a premises. The second will pertain to the business of labelling. I am glad a tiny move has been made in this regard. Moreover, I read with interest the comments of the Minister for Community, Rural and Gaeltacht Affairs, Deputy Ó Cuív, who poured scorn and contempt on the futile little advertisement notices that ask people to be careful while consuming an alcoholic product. What they mean is that while people should drink as much as they possibly can and get absolutely twisted, such notices constitute the producer's fig leaf. MEAS is the name of the organisation and I have no meas or respect for it as a serious problem exists. Half of the murders and manslaughters in this jurisdiction have an alcohol ingredient, as do one third of the road traffic deaths. That describes the scale of present behaviour. This Bill is doing what used to be called a baby step in the game relievio. It is neither a scissors step nor a giant step but is a baby step. While it is at least in the right direction, this legislation is rushed and does not go halfway far enough. Moreover, there are areas, such as those raised by my friends representing nightclubs, that should be reconsidered. I ask the Government to consider the two areas in which I suggested amendments might be made.

Senator Dan Boyle: It is only belatedly in political debate that a consensus has been reached in respect of the difficulties that alcohol causes to our society. We have tended to live on a national myth that alcohol is part of what we are and even to celebrate the fact it is so widely used and abused in our society. However, we have begun to perceive the social consequences of being so attached to such a mythology. While I enjoy alcohol and must admit there are occasions on which I take alcohol to excess——

Senator Jerry Buttimer: Never.

Senator Dan Boyle: It has been known to happen.

Senator Jerry Buttimer: That is not the Green Party way.

Acting Chairman (Senator Diarmuid Wilson): Senator Boyle, without interruption.

Deputy Michael P. Kitt: It is the Beamish way.

Senator Dan Boyle: As a parent, my responsibility now has passed into the twilight as my daughter has reached the age of 18. Despite my concern the drink culture has managed to worsen. When my generation began to drink and to frequent public houses and nightclubs, the idea was to consume as much alcohol as possible, but to do so in a way that showed one could sustain such use of alcohol. A new generation has arisen in which the purpose of alcohol

[Senator Dan Boyle.]

consumption is to maximise alcohol intake and to become intoxicated in the quickest possible time. This frightens me. Such alcohol abuse can be linked with poly-drug use, whereby many young people take drugs, which of themselves are not addictive and if taken in isolation, may not have a short-term medical consequence. However, when they mix them together in a cocktail of pill-popping, smoking and drinking, it indicates a generation that has threatened itself medically in a manner like no previous generation. There is an onus on Members as parliamentarians to introduce legislation that identifies such risks and tries to codify the law appropriately.

The imposition of time limits for the consumption of alcohol is almost self-defeating because part of the culture in Ireland is for large groups of people to go out at 9.30 p.m. or 10 p.m. to consume large amounts of alcohol before the official closing time. In view of the way our licensing hours are structured, a large number of people, who have consumed large amounts of alcohol in a short period of time, come out into urban centres — it is becoming an increasing phenomenon in rural areas — and cause untold social difficulties. What we need is a licensing system that would measure and regulate that more effectively so that people, first, would have a more mature attitude to alcohol and, second, would consume alcohol at different times.

We have just come out of a European treaty referendum, but in terms of our use of alcohol we are far from European. The norm in mainland Europe is to encourage young people to partake of alcohol with meals at an early age and to consume alcohol in small quantities at various times during the day. In Ireland, we have lost sight of that. We have bought into a cultural myth that we must binge on alcohol. While we might not be as bad as our near neighbours in that regard, we have basked in a cultural reflection of our use of alcohol. If we have any intent to assert ourselves as a nation that has more pride about ourselves, it is an element of our culture we need to lose quickly.

This Bill is born out of the need to construct such a debate and laws along those lines. A valuable job of work has been done by the alcohol advisory group whose recommendations have been discussed in this House in the past.

I accept that elements of the legislation could be drafted in a more effective way, and that is something we need to look at in the context of how we measure our business in this House. I also believe that it is important for the main thrust of the Bill that its contents are brought into being as quickly as possible because the summer period is the time of maximum consumption of alcohol and where many of the social difficulties come about from this culture.

That said, I am conscious of some of the concerns about what is being proposed in this Bill. I already stated that a strict time limit may not be the best way to proceed and perhaps future legislation would deal with the idea of rolling closing times between establishments in a given area or having them changed in a round robin fashion so that people drink in different establishments at different times and come out on to the public streets at different times.

While there are bigger issues being discussed in this debate on which several amendments are being tabled, I welcome the fact that changes to the licensing of early drinking houses has not been included in the legislation. They are an historical artifact from what were known as docker exemptions, mainly in the urban centres, but because to the changed nature of work they have become a social outlet for shift workers such as those working in health care. As long as we do not extend the number of outlets, I believe we should maintain the licences as they are.

There is an anomaly that results from that. As many early drinking houses were given such licences, they were also given six-day rather than seven-day licences. The 2000 Act allowed an opportunity for six-day licensees to become seven-day licensees by paying an appropriate fee

to the Revenue Commissioners. That was time specific and only lasted 12 months after the enactment of the Act. I am lead to believe that there are no more than half a dozen such licences left in the country. It would be in order to restore that section of the 2000 Act into this Act for a further 12-month period allowing for an increase in the fee to the Revenue Commissioners to reflect inflation in the meantime. I am hopeful that the Minister will be open to that. Senator Mark Daly has asked me to indicate that we will be tabling an amendment in that regard. If we rid ourselves of the anomaly of six-day houses and if we limit the number of early houses, the Bill will be doing effective work.

As someone who has been known, but only on occasion because of my sleeping habits, to frequent places late in the evening,——

Senator John Carty: And early in the morning.

Acting Chairman: Senator Boyle does not have time to elaborate on that.

Senator Dan Boyle: ——I am not sure whether the more controversial aspect that has been heavily lobbied in this case can be dealt with at this stage of the legislation. However, I would reiterate my case, that the possible solution is the staggering of opening times and round robin use of those opening times in any local area. I hope consideration will be given to that.

Senator Alex White: No one can doubt the background against which we are having this debate. We discussed it on a number of occasions in this House and it was discussed elsewhere. I refer to the abuse of alcohol, the problem of binge drinking, and the knock-on effect right across a range of social and personal problems such as mental health problems. All of these issues and their impact have been documented and elucidated in this House many times over.

No one questions the commitment of all of us, Senators on both sides of the House, to address this fundamental problem with which Dr. Gordon Holmes, in his insightful report, assisted us so much. The fact that all on this side of the House are complaining that this is, as Senator Quinn stated, “rushed legislation of the worst kind”, are criticising the legislation and the manner in which it has been introduced, and the speed with which it is being forced through both Houses, can not be taken as indicating any less of a concern on the part of those of us on this side of the House.

However, it must be asked if the Bill addresses the issue. Dr. Holmes, in his report, wrote of the need for a comprehensive approach to this problem across society but that is not what is in this Bill. The Bill contains a number of welcome provisions, but this is not the comprehensive attack on a serious social problem that we all know is needed. It is not consistent with debate, analysis, careful scrutiny of the problem and then the bringing forward of solutions to have legislation in this House, for the first time in my relatively short period here, where the deadline for amendments on Committee Stage came before the Second Stage, although there was some flexibility indicated for later today. It is ludicrous for us, who are expected to carry out the important constitutional function, to scrutinise legislation and to decide whether it is appropriate that it should be passed, to be faced with such a situation.

I heard one of my colleagues state that he was lobbied by one of the associated bodies, I understand it was the nightclub association. I have not had time to be lobbied by them. There is not enough time to meet the people who have expressed an interest and an involvement. Those involved are just as entitled as anybody else to raise their concerns with legislators. What we do about that is another matter, but we should have an opportunity to listen to them and to consider carefully what they have to say. While I have not had an opportunity to meet anybody, I have a file of e-mails that I have received from people, not just from the nightclub

[Senator Alex White.]

industry but from youth organisations and organisations across the board, but I have had no real opportunity to properly consider them.

A long debate into the late hours tomorrow night, or on Friday or next week, does not address the problem I raise. The Leader has constantly stated that the Government would not impose a guillotine and we can debate all night long. That does not address the issue. The issue is having a sufficiency of time between the different Stages of legislation so that a real public debate can occur. We are not having that. We, not just us Senators but those we are supposed to serve, are being deprived of that.

It has been stated that the Bill is founded largely on a need to address the public order side of matters. To some extent, I acknowledge that it does touch on a number of the issues about which one would have concern and on which one would want to see amendments introduced in legislation. It includes new powers afforded to the Garda related to a right of seizure, a right of entry and so on. I have not examined the legislation in great detail, but I question whether those new powers are required. If they are required, they should be given to the Garda. However, we have repeatedly introduced legislation to deal with social problems such as anti-social behaviour, crime and other such concerns. Our job is to legislate, but the notion that simply introducing another Bill or affording new powers to the Garda will, of itself, address these issues is bogus.

We have seen measures introduced in the past such as anti-social behaviour orders. My colleague, Deputy Jan O'Sullivan, pointed out recently the many powers in the Children's Act 2001 dealing with parents, parental involvement and trying to ensure parents take action in respect of their recalcitrant children. Although these powers are enshrined in legislation, many have never been acted on. I question whether the proposed Garda powers of seizure and entry will be any use in practice. Will the Garda have the resources and the time to use these powers? As a public representative, I am frequently lobbied by residents' associations, local residents and other concerned about anti-social behaviour such as people drinking close to off-licences and so on. The concerned people cannot get the Garda to deal with these problems. This is not a meant as a criticism of individual members of the Garda, superintendents, or Garda stations, but the force simply does not have the resources. I doubt the proposed Garda powers of seizure allowing the force to take bottles from children and so on will have a significant effect.

Nobody doubts the concerns we have about this issue but this does not mean we should take a steamroller approach, or use legislation in an attempt to address a wider social problem. The proposal to close nightclubs earlier or the earlier proposal, now withdrawn, to discontinue licences to early morning houses are examples of this approach. There are other proposals in the Bill which are, ultimately, directed towards the end that we have set ourselves, but which appear to be excessive.

I have heard it said there is an abuse of theatre licences and no doubt there are many venues using a theatre licence and operating under a flag of convenience by so doing. This points to the necessity of introducing a proper licensing system for nightclubs and this is perhaps what Senator Boyle meant when he referred to the matter. Why should nightclubs depend on the fiction of a theatre licence? In this country we are not very good at facing up to problems when there is a need, but let us address it. Nightclubs are nightclubs. In any city in the world where there are nightclubs, there is an expectation that they will stay open later than other licensed premises. It does not make sense that people are disgorged onto the streets of Dublin, Cork or wherever at the same time because of pubs and nightclubs closing simultaneously.

We should not assume people go to nightclubs for the sole purpose of drinking. Some others, including Senator Boyle and I, have said they occasionally frequent night clubs. I do not believe this is necessarily declaring a conflict of interest, but I have no difficulty with a properly regulated system of nightclubs in any modern city. People do not go to these places to simply tank up further, they go for many reasons. The music industry is an important element of the nightclub scene and people go to nightclubs to dance and enjoy themselves. There is responsible adult consumption of alcohol. This steamroller notion that we roll over the nightclubs, early morning houses and provide extra powers to the Garda is excessive.

The legislation seems to try to serve as a panacea and demonstrate to the public that we are addressing what is a much wider and more serious social problem. Some aspects of the legislation are fine but it purports to be a more comprehensive measure than it is in reality. I disagree with my colleague, Senator Denis O'Donovan, in that I see no reason why this measure cannot be postponed until the autumn.

Senator Jerry Buttimer: Hear, hear.

Senator Alex White: This would give the public an opportunity to debate it and give all the interested parties an opportunity to contribute. Let us then have a level-headed debate in the autumn. Senator O'Donovan is incorrect in that nothing will happen during the summer that this Bill would otherwise prevent. Let us leave it and debate the matter more carefully in the autumn.

Senator Jim Walsh: I welcome this Bill and many of its provisions. There has been debate surrounding the length of time provided to discuss the aspects of the Bill, which I understand. The provision of sufficient time to deal with Bills is a very important part of the process in the Houses. This Bill is focused on some very specific areas and serves as a prelude to more comprehensive legislation which will come before the Houses in the coming year. Consequently, I fully support the provisions and the intent of the Bill.

Various surveys have identified alcohol as a problem for society in the west generally. However, the problem is probably more acute in Ireland. This is borne by some of the surveys and statistics which have emerged. I note the EU wide study showing an average alcohol consumption of 21 units per person per week. This is high taking into account that some 20% of the population do not drink at all, and many others are moderate drinkers. In addition, from a health perspective the maximum recommended consumption in one week is 21 units for men and 14 units for women. This shows a significant proportion of the population is in excess of the recommended weekly amount of alcohol consumption. This brings many other problems and difficulties for individuals and society, especially in the area of public health.

There have been various debates about expenditure on health services, value for money and such issues. There has been a significant increase in investment in the past decade; it has quadrupled in this area. It is significant that some of this expenditure has been targeted at facilities in accident and emergency departments of hospitals. Some 28% of adults reporting to accident and emergency departments are apparently presenting with drink-related problems, which is an exceptionally high proportion.

Senator Mary M. White yesterday spoke of matters related to suicide in society. It is recognised that in many cases alcohol is a factor. This is a serious mental health issue and over-consumption of alcohol for a period of time can lead to severe physical ailments too. I was involved in a study some years ago which showed that the fourth largest reason for death after cancer and heart ailments was alcohol. That was a significant and, pardon the pun, sobering statistic.

[Senator Jim Walsh.]

Alcoholism is a disease and must be recognised and treated as such. However, there is a new phenomenon in society of binge drinking, to which several speakers have referred. I have a friend of the same age group, Mr. Paddy Quinn, who has a hotel in my local area. I recall speaking with him some time back. He said that when we were at that stage, if one had sufficient money one might occasionally get drunk, although people did not go out with that intention. He told me he now sees young people coming in groups with the sole intent of getting drunk on a night. They drink Bacardi Breezers and various other alcopops, which lead to drunkenness, and this has significant effects for those people. It also shows a change in mindset which we probably need to tackle.

It is interesting that the EU report found that in any one sitting, 34% of people out drinking in this country consumed five or more units. In Europe, the proportion of people consuming that level of drink is down at 10%. This Bill is definitely a step in the right direction and I support the Minister in restricting the availability of drink, particularly through off-licences, petrol stations and supermarkets, where it is often used as a loss leader to get people in.

Interestingly, we had a meeting not long ago of the joint policing committee in New Ross. The superintendent indicated that the trend away from drinking in pubs to drinking at home has led to one particular increased crime statistic over a 12-month period, that of domestic violence. He attributed this rise to the phenomenon of people drinking more at home than would have been the case previously.

I agree with the Minister in his attempts to bring about the structural separation of alcohol products and the making of regulations regarding advertising. We must ensure that the drinking culture is changed. As with others here, I enjoy a drink. Like everything, a drink in moderation — if it can be kept so — is an enjoyable and good social experience. They say everything should be in moderation, including moderation itself. This Bill makes an effort to inculcate this into society and particularly into our young people.

I welcome the Bill and encourage the Minister to continue down that route.

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

Acting Chairman: Is that agreed? Agreed.

Senator Jerry Buttimer: I welcome the Minister to the House and the opportunity to contribute to the debate on the Intoxicating Liquor Bill. The Minister of State, Deputy Conor Lenihan, stated this morning that there is a broad acceptance that legislative reforms are needed to tackle public disorder and alcohol-related harm resulting from excessive alcohol consumption. The Minister of State is correct in that there is a need to debate it and it is important we take urgent action.

Increased visibility and availability of alcohol in retail outlets referred to by Senator Walsh, such as garages and off-licences, has become noticeable in the past ten years. It is a sad indictment of policy that we have allowed alcohol to be sold freely in many corner shops, and it is much more available than it was before. We should not confuse nightclubs and pubs with the corner shop, bars in clubhouses or sporting facilities or the local bar.

I welcome the fact gardaí can seize alcohol. We have by-laws in my city of Cork preventing people from drinking in public places. I wonder about the success of such a by-law as I am unsure we have the necessary resources to help gardaí. Action must be taken.

It is disturbing that we have a high rate of alcohol consumption in this country. Senator Boyle referred to our Irish culture but such drinking should not form part of it. We should move away from the old Irish tradition of drinking pints of Guinness and where we are seen

as the land of alcohol. Shame on us. St. Patrick's day should not be a day for alcohol consumption but a day of celebration. Two years ago President McAleese indicated a need for a national debate on alcohol consumption and she is right. We need a debate on the issues surrounding alcohol consumption.

The Minister has missed an opportunity with regard to the sequential closing of nightclubs. I do not understand why we cannot have the staggered closing of nightclubs. Those of us, including the Acting Chairman, Senator Keaveney and myself, who go out on a Friday or Saturday night to nightclubs——

Senator Cecilia Keaveney: Not together.

Senator Jerry Buttimer: We can go together, no bother.

Acting Chairman: This discussion can be continued in the ante-room.

Senator Jerry Buttimer: We could go to Reynard's tonight or Rearden's in Cork next Saturday.

It does not make sense that at the close of business in Cork, Dublin or anywhere in the country, everybody piles out to a central point. I fail to see why we cannot have staggered closing times. I was in Barcelona recently and the establishments did not close until 5 a.m. There were no public order issues and nobody was falling around the place drunk. I cannot understand the problem.

I hope we will have education programmes in schools which are well-resourced and have meaning. We must tackle the problems associated with alcohol consumption and binge drinking, which we are not doing. It is important we take action with regard to off-licences and allowing supermarkets to sell below cost. Last weekend, in some of the big chains of supermarkets one could buy 20 bottles of Miller for €20.99. That is cheaper than bottles of Coca-Cola or 7Up. It does not make sense that we are allowing this happen. We should tackle cheap alcohol and promotional efforts in supermarkets and other places.

The use of alcohol can lead to deaths and ill-health. The issue of "pre-loading" has come into the public domain, and Senator Walsh referred to it. This is where more people are starting to drink at home before going out when they are tanked up. They arrive at pubs and nightclubs already drunk. This Bill will not stop the practice.

Will the Minister consider the staggering of closing times, which is important? Do the people who drafted this legislation go to nightclubs? I invite them to come to Cork next Saturday night——

Senator Cecilia Keaveney: If it is Rearden's, I will see the Senator there.

Senator Jerry Buttimer: ——to see what happens. The Washington Street village concept, as promoted by Paul Montgomery and the people in Cork city, is of responsible nightclub owners who take their job seriously and manage it properly.

I welcome the reprieve for early morning houses. In Cork we have two very well run establishments and neither they nor their patrons cause trouble. I am glad the Minister rolled back those provisions. Will the Minister consider specialised licences for nightclubs?

Senator Paddy Burke: I welcome the Minister to the House and some aspects of the Bill. Like my colleague, Senator Regan, I do not think it is acceptable that this House will not be able to make amendments. Any amendments made will not be carried through because of the

[Senator Paddy Burke.]

Dáil schedule. I have a number of questions to ask on this legislation, which was rushed through this House and the Dáil.

An issue was raised by Senator Norris relating to down-and-outs and people we might term as “winos”. When they drink in town halls or public places, what will the Garda do upon implementation of this Bill? Will they confiscate the drink or move them on? With regard to by-laws passed by local authorities either permitting or banning the drinking of alcohol in public places, what will be the position of these upon enactment of this legislation?

Section 9 of the Bill relates to the separation of alcohol products. It is an unbelievable section which gives effect to the sale of wine, with approximately 14% alcohol content, with unrestricted display while restricting products such as beer produced in this country, which has 4% or 5% alcohol content. We are making it lawful for people to sell products with 14% alcohol content, produced around the world, in an unrestricted fashion. Wine is not manufactured to any great degree in this country. Meanwhile, we are restricting the sale of drink products from this country that have only 4% or 5% alcohol content. This is poor legislation. Restrictions should apply to all alcohol or none. I urge the Minister to reconsider the provisions of the Bill, particularly section 9, because it sends out a message that people can take home products with an alcohol content of 14% but restricts the sale of Irish manufactured beer.

Section 12 provides a revised definition of bottles and containers. Does it cover the smaller spirit measures one sees distributed in plastic bags on aeroplanes?

Senator John Carty: I wish to share time with Senator Ann Ormonde.

I welcome the Minister to the House to present this fine Bill. This is welcome legislation, particularly its provisions on public disorder and alcohol related harm, notably to young people. It is past time that action was taken to tackle drinking in public places, a practice in which underage young people engage and which causes considerable damage. Gardaí should have greater powers to intervene in such circumstances and should question young people found drinking in public places about the source of their alcohol. Parents have a major role to play in this regard and should not shirk their responsibilities. Many parents do not know where their children are at late hours.

Section 8 deals with the sale of alcohol from off-licences, supermarkets and petrol stations. From my discussions with the owners of such premises, I am aware that smaller stores operate a strict code on the sale of alcohol, especially to young people. The practice of salespersons handing over alcohol products affords them an opportunity to judge the age of the purchaser. The majority of those who sell alcohol operate in a responsible manner and want to abide by the law. Unfortunately, as in all businesses, a minority of retailers brings the sector into disrepute.

Greater emphasis should be placed on penalties for those who buy alcohol for underage persons. This practice causes distress and should be frowned upon. Those who engage in it should be fined heavily and named and shamed in the local press when they are prosecuted.

I welcome section 13 and the new section 37A which gives the Garda greater powers. Gardaí do a good job; for example, in my area they recently brought a young fellow who had been drinking home to his mother and father who were not impressed with his behaviour. It is good the Garda has the power to do this.

I compliment the Minister on meeting representatives of retailers some weeks ago and taking into account their concerns. I also compliment retailers on the responsible manner in which they have dealt with this legislation and the Minister. The provision requiring mixed traders to construct a structurally separate area for the display and sale of alcohol would place a major

burden on small retailers as it could necessitate changes to building structures for which planning permission probably would be required. I understand that, having spoken to representatives of the retail sector, the Minister has assured them that this provision will not be implemented immediately.

Senator Ann Ormonde: I welcome the Minister and wish him every success in his new brief. This legislation is a welcome and prompt response to a report published only a few months ago by the alcohol advisory group. The Minister has moved quickly to introduce legislation on the sale of alcohol products in supermarkets, convenience stores and petrol stations and to address the issue of low cost selling and special promotions.

All Members have been contacted by representatives of retailers to discuss how to proceed, particularly with regard to the provisions on supermarkets. I am pleased the Minister has decided to step back and allow the retail stores to produce a code of practice for managing the sale of alcohol. Issues to be addressed include signage, advertising and persons entitled to purchase alcohol. Greater awareness is needed because young people still do not know when they are breaking the law. Retail outlets must be made responsible for creating greater awareness.

This is worthwhile legislation and I welcome the Minister's commitment to introduce further legislation in the autumn to address more complex issues.

I am concerned about the impact of excessive alcohol consumption, which is a cultural and social rather than legislative issue. We must all take responsibility for addressing the problem. Parents, residents associations, communities and local authorities are failing to fulfil their roles. Legislators can take action but parents must be made aware and local authorities must deal with issues such as drinking in open spaces and the granting of planning permission.

I am not convinced by the argument that closing time should be staggered. It is preferable if all patrons of licensed premises leave at the same time as otherwise they move from one premises to the next.

I look forward to getting involved in a broader debate on this major social issue and wish the Minister well with this legislation. This is a welcome first step but more remains to be done.

Senator Nicky McFadden: I thank the Minister for taking time to come before House. The Intoxicating Liquor Bill 2008 is the product of the reforms recommended to the Department of Justice, Equality and Law Reform by the Government alcohol advisory group established in January 2008 to investigate the current functioning of the laws regarding the sale and consumption of alcohol and specifically to scrutinise matters of public order.

I wholeheartedly disagree with Senator Ormonde on closing times. How will closing nightclubs at the same time as late bars help public order? The Bill's provisions are misguided. Instead of attempting to address issues of public disorder on our streets, it will increase the number of violent and drunken incidents on our streets.

The Bill proposes to repeal theatre licences for nightclubs. In theory, this is an attempt on the part of the Government to limit the amount of alcohol available to the public at certain hours. In practice, however, it will mean that all late bars and nightclubs will close at 2.30 a.m. rather than 3.30 a.m. or 4 a.m. and that there will be an exodus onto the streets at the same time. This will lead to absolute uproar. As a parent of young adults, I have been obliged to make collections at this time of the morning and have witnessed what occurs. It is extremely frightening to see everyone coming onto the streets at the same time. What happens is extremely dangerous. The effects of this proposal will be most severe in large urban areas.

Deputy Dermot Ahern: There are special exemptions which can be obtained and under which establishments must stop serving alcohol at 2.30 a.m. Provision is made for drinking up time of 30 minutes; therefore, closing time is 3 a.m. There is no other mechanism available other than the theatre licence, of which 76 were granted in 2007. To date this year, 150 such licences have been granted.

Senator Eugene Regan: On a point of order, the Minister should not interrupt the Senator's contribution.

Deputy Dermot Ahern: The Senator stated nightclubs were disgorging people onto the streets at 3.30 a.m. or 4 a.m. The reality is that other than——

Senator Nicky McFadden: Drinking up time.

Deputy Dermot Ahern: ——the small number of theatre licences, the law is that——

Senator Nicky McFadden: I stated the Minister was repealing theatre licences, with which I disagreed.

Deputy Dermot Ahern: Any nightclub which does not have a theatre licence and which is disgorging people onto the streets at 3.30 a.m. or 4 a.m. is breaking the law.

Senator Nicky McFadden: My point is that thousands are coming onto the streets at the same time.

As stated, the effects of this proposal will be most severe in large urban areas. There is already a major strain on public transport, particularly taxis. People congregate outside public houses, chip shops and nightclubs in search of taxis. When large numbers of individuals gather in this way, trouble usually occurs. There must be staggered closing times for pubs and nightclubs. That is the only option.

We need to regulate and formalise the nightclub industry. A protest took place on the street outside the Houses last week in this regard. I am convinced that thousands of jobs will be in jeopardy if the Bill becomes law. This sector of the economy is already suffering. We should be trying in the Bill to protect young people, our most valuable asset, but I do not believe we will do so. Since 2000, the nightclub industry has been promised new licensing laws that would specifically regulate its business. Not only has the Minister failed to deal specifically with the industry in the Bill, he is effectively also going to destroy the industry. If we want our streets to be safer for young people and other citizens, we must legislate in respect of them. The reforms in the Bill do not in any way attempt to address the serious issues of public disorder and our drink-related culture. Hitting the nightclub industry will only galvanise young people further. The majority of young people are law-abiding citizens who wish to enjoy their weekends. I am concerned that they will be encouraged to drink alcohol in uncontrolled environments.

The central aspect of this matter is the need to examine and investigate our drink-related culture. To do the latter, we must consider how our lives are centred around alcohol. While I acknowledge that the State and the Oireachtas have a key role to play in ensuring licensing laws and legislation to control alcohol intake are in place, ultimately responsibility lies with parents in educating their children to have respect. In addition, alcohol should not be a prominent feature of every family celebration. We must also not overlook the importance of individual responsibility when it comes to the consumption of alcohol. We must discuss and debate responsibility and our relationship with alcohol in order to address the seriousness of the problem. Senator Buttimer referred to youngsters tanking up on cheap wine before going out in

the evening. In the past people in this country suffered from low self-esteem. However, times have changed and citizens are now much more confident. We must change our mindset in respect of alcohol. Statistics indicate that 46% of murders are committed when the perpetrators are intoxicated. In addition, much of the abuse perpetrated against women occurs when those responsible for such abuse are intoxicated.

Senator Cecilia Keaveney: I come from a rural background. I served as chairperson of a committee that compiled a number of reports on the issue of alcohol. In such circumstances, there is no need for me to outline the reasons the Bill is so important.

Many discussions have taken place on the Order of Business and at other times about the difficulties in this country with our alcohol-related culture. As is usually the case, however, when action is taken and a Bill introduced, a lobby decides to protect its interests and states there is nothing valid in the legislation. I am completely opposed to such behaviour.

Senator McFadden disagreed with many of the provisions in the Bill and stated we must examine the position on our drink-related culture. What could change that culture more than examining access to and the availability of alcohol and the times at which it may be sold?

I accept that change is difficult and that people can rebel against it. That became perfectly clear when measures relating to the tobacco industry — another strong lobby — were introduced. I do not, perhaps, understand all of the debate relating to the Bill and its provisions. Members of the Opposition can enlighten me in that regard. I have listened to their contributions and I am trying to understand from where they are coming in respect of this matter. If we can reach the stage where nightclubs will not be disgorging people onto the streets at 3.30 a.m. or 4 a.m., our towns — I am not referring to Dublin in this regard — will benefit. The Garda sergeant in my area stated that since the costs relating to exemption orders increased, his officers finished their duties and the streets became quiet two hours earlier than previously. The increase in costs means that it is not economically viable to apply for an exemption order in rural or smaller urban areas. When I worked as a teacher in England, my friends and I would leave between 6 p.m. and 7 p.m. when we were having a night out. We would eat a meal between 7 p.m. and 9 p.m., go on a pub crawl through the town in which we lived and still be home by 11 p.m. or 11.30 p.m.

Objections have been made in respect of Sunday closing times. It was stated everything must remain open all night to cater for the needs of tourists. However, we must also consider the position as regards Irish people who either arrive late for work on Monday morning or who do not arrive at all. I am not opposed to alcohol. In many circumstances, I would be one of its greatest advocates. We must consider, however, if we can change the culture, even in the context of the times at which people drink, and whether we might pull back to a certain degree in that regard. This is one of the core issues relating to the Bill. I accept that it will be hard for some to come to terms with it but we must do so.

A previous speaker referred to wine. People in this country consume more wine exported from Chile than their counterparts anywhere else in the world. I could quote many statistics in this regard but will not do so.

Consideration should be given to making provision for calorie-content labelling on alcohol products when the next Bill relating to this matter is introduced. There has been much discussion about obesity and eating disorders. I can go into a shop and buy food products on which are listed the salt content, calorie content, etc. However, with the exception of diet drinks, it is not possible to discover the number of calories in an alcoholic product. As a consumer, I have as much right to know the contents of what I drink as I do the contents of what I eat, although I accept that this is a minor point.

An Cathaoirleach: Business has been ordered that Second Stage of the Bill adjourn at 2.30 p.m. It will resume after No. 4. Will Senator Keaveney move the adjournment of the Bill? She has three minutes remaining.

Senator Cecilia Keaveney: I hope the Minister will be back. The only issue I wish to raise with him is how we deal with under 18 year olds beyond being able to take alcohol from them.

Debate adjourned.

Economic Policy: Statements.

Minister for Finance (Deputy Brian Lenihan): I welcome the opportunity to contribute to this Seanad debate on the stewardship of the economy by the Government and to acknowledge the productive investment being made under the national development plan. This plan consolidates and enhances Ireland's economic competitiveness. In particular, I would like to take the opportunity to outline the main measures that the Government is taking to address our current economic challenges. I assure Senators that through enacting policies that support our economic and budgetary stability, the Government is taking resolute steps to ensure that we are well positioned to take full advantage of a future upswing in the global economy when it emerges while at the same time maintaining steadfast in our commitment to protect the vulnerable in our society.

While the focus is on our current situation and the actions announced by Government, it is worth reminding ourselves of Ireland's transformation in both economic and social terms over the past decade. We have experienced unparalleled levels of economic prosperity and success. During this time the rate of economic growth in Ireland has averaged approximately 7% per annum. This very strong rate of expansion has facilitated a convergence in Irish *per capita* incomes not only up to but beyond those enjoyed in other advanced economies. This Government and its predecessors have soundly managed the public finances. For example, we have delivered budget surpluses in ten of the past 11 years while managing to fund a substantial investment programme.

Of equal impressiveness has been the performance in our labour market. We now have over 2 million people in work compared with 1.5 million a decade ago. This has facilitated a decline in the unemployment rate from over 12% to the current position now, where we enjoy one of the lowest rates of unemployment in the eurozone. This has also led to the ending of involuntary emigration and Ireland has become a destination country for migrants in recent years. The current situation in the labour market is not as good and while we expect to see a pick-up in unemployment throughout this year, we must not lose sight of the fact that the economy is still producing jobs — good quality, high end jobs. We still have a very high level of employment in this country.

However, as Senators will be aware, in common with other countries, the economy has now entered a more challenging period. Domestically, the pace of transition for the new house building sector to more sustainable levels of output is having a significant dampening effect on economic growth. Global economic developments have compounded this situation. A continuation of international financial market difficulties, rising food and oil prices, adverse exchange rate movements and a general weakening of the economic outlook in several of our major trading partners are also causing problems.

As a small open economy focused on international trade, our scope to mitigate the effects of such global economic developments is restricted. The impact of this combination of domestic and external shocks means that our economic growth has plateaued for now, albeit at a very high level.

As Senators are no doubt aware from last week, my Department, taking account of the latest available data, has revised downwards its economic growth forecasts for this year as the downside risks identified in the budget last December have materialised. It is now expected that GDP and GNP will expand by just 0.5% this year. However, in considering this very modest rate of real expansion in the economy this year, it must be recognised that the significant investment in the housing sector represents a drag of the order of 4%.

Apart from the construction sector, it should be pointed out that the rest of the economy has performed well given the international circumstances we face. The outlook is for tax revenues to remain weak for the remainder of the year with a tax shortfall of the order of €3 billion now being factored into the budgetary arithmetic.

On the spending side, Government expenditure is running at 11% higher than the same period last year with a number of spending pressures due mainly to higher unemployment. It is Government policy that these pressures must be met without adding to overall spending this year and that is why we have taken the action we announced yesterday.

The change in the public finances as outlined by my Department last week means that, based on our current assessment, the general Government deficit, could be close to the Stability and Growth Pact limit of 3% of GDP in 2008 and, in the absence of corrective action, could breach that limit next year. It is not just a question of observing rules — it is ordinary common sense that one does not borrow to meet ongoing expenditure. This country has to live within its means.

We will not repeat the mistakes of the 1970s where failure to act in time and in the right way resulted in severe problems which persisted through much of the 1980s. If we do not pursue measured and sensible action now when confronted with the twin developments of falling revenues and pressures on expenditure, the financial situation facing us for 2009 will be more difficult and the action required will be more urgent and severe.

Yesterday, the Government announced proportionate, measured and sensible action to ensure that the public finances in the years ahead are kept on a sustainable footing. Sound public finances have been critical to our success over the past decade and are critical to future growth. The measures we are taking are designed to maintain a prudent fiscal outturn for 2008. They are also designed to limit the negative effects of any corrective action on vulnerable sections of the community.

I will outline for the House the decisions taken by the Government yesterday. All Departments, State agencies and local authorities, other than the Departments of Health and Children and Education and Science, will be required to reduce their payroll bill by 3% by the end of 2009 through all appropriate measures identified by local management in the light of local circumstances. The parameters of this exception for the health and education sector are to be agreed by the Departments concerned with the Department of Finance. That does not mean these Departments are immune from a payroll reduction. It means that because of the sensitivity of some of the frontline services they provide, care will be taken in the implementation of the payroll cut. Indeed, yesterday's Government announcement drew attention to the fact that the one area in which it was willing to make funds available for voluntary redundancy was in the area of surplus administrative staff in the Health Service Executive.

All expenditure by Departments and agencies on consultancies, advertising and public relations will be significantly reduced for the remainder of this year and by at least 50% in 2009. Further savings in 2008 and 2009 are to be secured by a range of measures, including those identified as a result of the budget day efficiency review initiated by my predecessor. All of the aforementioned efficiencies will apply equally to State agencies. In addition, I have asked that these agencies be reviewed to examine whether they can share services, whether it would

[Deputy Brian Lenihan.]

be appropriate to absorb some of their functions back into their parent Departments or whether some agencies should be amalgamated or abolished. The outcome of this will be considered by the Government in the autumn.

To those who urge that I should publish a list of affected bodies, it should be borne in mind that many of these bodies are established under statute and have established personnel, practices and locations of work. It is essential that in doing a comprehensive review of all of these agencies, we come to conclusions about them having listened to what they have to say. The House should be under no illusion about my determination to deal with the issue of the proliferation of State agencies and bodies. I am determined to deal with it and proposals will be brought to the Government in the autumn to reduce the number of such entities.

Capital investment will remain a top priority. Capital projects will be examined and prioritised to ensure that resources are targeted at construction-related investment in core economic infrastructure that adds to productive capacity. We will also take account of our climate change obligations in having regard to how we proceed on capital investment.

The Government has also decided, in light of the current Exchequer position, that further expenditure for the acquisition of accommodation for decentralisation will await detailed consideration of reports from the decentralisation implementation group. My colleague, the Minister of State, Deputy Martin Mansergh, will head up a joint public procurement operation between the OPW and the Department of Finance to drive a programme of reform and to produce a business plan for purchasing savings to be achieved by Departments and other public bodies in 2009. He will report in the autumn with specific proposals to target at least €50 million savings in 2009 on this front.

Given the projected revision to GNP and other factors, there will be savings in overseas development assistance, ODA, of some €45 million this year. The revised total contribution in 2008 will be over €200 per citizen, totalling approximately €900 million. Ireland is far ahead of almost all other developed nations in our rate of ODA.

In addition to these measures, the Department of Finance and the Department of Health and Children will draw up proposals for a targeted scheme to reduce surplus staff in the HSE as soon as possible. We will consider extending this scheme on a selected basis to other public service agencies where staff surpluses are identified. These and other savings announced are estimated to deliver €440 million and the fiscal position will continue to be rigorously monitored and controlled. The Taoiseach already set out earlier today in the Dáil a breakdown of the components of the aggregate savings.

The delivery of the productive investment priorities to be financed under the national development plan will ensure our economy is well positioned to take advantage of a future upswing in the global economy. This investment will also improve our competitiveness and provide a better quality of life for everyone in the country. The investment in economic infrastructure and human capital will boost the productive capacity of the economy and facilitate a repositioning of the economy in the production of knowledge-intensive goods and services. I stress to Senators that I am committed to investment in the infrastructure and productive base of this country. Of course, projects will have to provide value for money to the taxpayer, but if they pass that test and add to our competitiveness, they will be prioritised.

The comprehensive 2007 NDP annual report laid before the Oireachtas last week shows the Government's commitment to making the investment necessary to consolidate and enhance Ireland's economic competitiveness. The report outlines the financial outturn of each NDP sub-programme, the outputs resulting from NDP investment and expenditure and the contri-

bution of NDP investment to promoting all-island co-operation, regional development, environmental sustainability and the development of the rural economy.

For many, the most visible outputs from NDP investment can be seen in our steadily improving transport network. By the end of 2007, 313 km of the major interurban routes linking Dublin to Belfast, Galway, Limerick, Cork and Waterford were completed and a further 324 km were under construction. NDP investment in 2007 also helped to augment our public transport infrastructure through the provision of new rolling stock, new stations in the greater Dublin area and the commencement of the extension of the Luas red line trams to carry more passengers.

In the built environment, some €670 million in NDP investment in 2007 helped to upgrade our environmental infrastructure and facilitated commercial and housing development. This investment also supported the NDP's objective of enhancing environmental sustainability. NDP investment also supports the progressive implementation of the strategy for science, technology and innovation. This will help firms in Ireland to produce high-quality, value-added and innovative goods and services that will generate competitive exports. In 2007 some €635 million in NDP investment went into research, development and innovation in various sectors.

The NDP also assisted our enterprise sector, both in terms of helping indigenous firms to grow and prosper and in attracting foreign direct investment. Some €432 million of NDP investment in 2007 helped create 210 high potential start-up companies, helped indigenous firms enhance their export readiness through productivity improvements and created over 9,000 new jobs in overseas companies located in Ireland.

The tourism sector was also supported under the NDP to market Ireland and to provide people working in the sector with the skills and training that will enhance Ireland as a tourism destination. The NDP also enabled work to begin on the new convention centre in Dublin, the progress of which is highly visible on Dublin's quays. Through prioritising such productive investment, we will lay the foundations for future improvements in living standards so as to ensure that our economy's competitiveness can be among the best in the world.

The Taoiseach remarked yesterday that we intend to manage this challenging period through the social partnership framework. That framework has played a vital role in delivering economic and social benefits over the past number of years and ensures that all stakeholders in our economy have a shared sense of the difficulties that are emerging and that inappropriate policies are not implemented. This approach can also ensure that competitiveness is restored, thereby enabling a rebalancing of activity towards sustainable growth.

I remind the House that we face our current challenges from a very strong position. Although we are now facing into a number of short-term difficulties, the economic prospects beyond these still remain favourable. Our remarkable economic progress has not been reversed overnight. Its underlying health remains strong. We must not forget that the economy has responded quickly and effectively to difficulties in the past.

Our markets are flexible, allowing us to respond quickly to difficulties, we have a dynamic and well-educated labour force, we have a pro-enterprise oriented society and taxes for both workers and businesses are low. It is worth reflecting that not many countries face the current global economic difficulties from such an enviably strong position. While growth this year will be very weak, my Department anticipates it will pick up next year to somewhat of the order of 2.25% and towards trend growth of 4% by 2010. None of this will happen unless we observe the necessary disciplines. It is just not good enough for Opposition critics to suggest, as an informed commentary on the Government's plans announced yesterday, that we can cut taxation and increase spending. That will not solve our economic problems; it will compound them.

[Deputy Brian Lenihan.]

Our perspective on the positive medium-term outlook for the Irish economy has been shared recently by the independent economic research body, the Economic and Social Research Institute, in its Medium Term Review 2008-2015. However, I must stress that this benign scenario will not materialise unless we observe certain necessary disciplines now. On account of our sound economic management and the underlying health of the economy, the institute agrees that the Irish economy is flexible and resilient and has the ability to absorb a downturn.

In conclusion, the objective and priority of the Government is to balance the need for fiscal restraint to ensure domestic recovery with the need to protect the vulnerable. Our economy is resilient and through priority investment in the economy underpinned by measured, decisive action, we will be well-placed to take advantage of a future recovery in the world economy and return to our potential growth rate as soon as possible.

Senator Liam Twomey: The people feel they were sold a pup before the general election 12 months ago. We should ask why this happened. Since 1994, Ireland has had a developing economy and, upon entry to the eurozone, cheap interest drove us further forward. In respect of the construction industry, banks offered 100% mortgages with 30 year contracts. They claimed they did so to make it easier to repay loans but the reality was that people had to borrow larger amounts to purchase houses at higher prices. The Government did nothing to curb the resulting construction frenzy because it profited from it. No Minister has yet acknowledged the housing bubble that built up several years. We were building half the number of houses that were built in the UK.

The Government should acknowledge that, notwithstanding global problems and the cost of oil, bad policies have put young people in this situation. National debt may have decreased but, in terms of total debt, the people are as much in debt as they were in the 1980s. The banks made it clear when they appeared before the Joint Committee on Health and Children that they do not care about this. They feel it is business as usual and are prepared to take the losses as they occur. The plight of young people is seen as nothing more than collateral damage. The Government contributed to this.

Laid-off construction workers have told me that if they are lucky enough to find new employment, they expect pay rates of €450 per week, compared to their previous rates of between €700 and €800. If the Minister for Finance prefers, I will sit down so he can speak with his colleagues.

Deputy Brian Lenihan: Táim ag éisteacht.

Senator Liam Twomey: He has clearly become bored with the Opposition's criticism of the Government's management of the economy.

People making €800 per week have lost their jobs and are being told that the going rate in the construction industry is €450 per week. Ministers who make €5,000 per week are trying to fob these people off by promising to take their snouts out of the trough for a year before giving themselves pay rises.

Deputy Brian Lenihan: We made it clear yesterday that there is no commitment to pay rises.

Senator Liam Twomey: It is a serious business for many people.

Deputy Brian Lenihan: The Senator should not misrepresent the facts. I am listening carefully to what he says. There is no commitment on pay rises for Ministers in 2010.

Senator Liam Twomey: We all know that the review of the matter in 2010 means they will pay themselves more.

Deputy Brian Lenihan: That is not true.

Senator Liam Twomey: My elderly patients tell me their pensions are being eroded by the cost of food and fuel. This is more than a blip for the economy. It is hurting people badly. The pensions of people who hope to retire in the next five to ten years are being eroded by the turbulence in the stock market. Much of this has been driven by the greed and frenzy in the Irish construction sector which was encouraged by the Government.

We are now facing rising inflation and unemployment and a deterioration in the national finances. I would be interested to learn how the Department of Finance arrived at its predictions of 2.5% growth next year and 4% in 2010 because many people believe the economy will not grow over the long term. The Government refuses to face up to that and is trying to soften the blow. Even some of the cutbacks the Minister announced, such as the €85 million reduction in nursing home payments, were never spent in the first place. There is no urgency on the part of the Government to make the cutbacks necessary to bring the national finances back into line. It has merely tinkered around the edges.

The Minister stated that health and education would not be affected but that is clearly not the case. Education will be affected if the VEC is required to reduce its staff complement. The HSE is to cut 1,000 administrative jobs but we are told that front line staff comprise 90% of HSE employees. That leaves a pool of 10,000 to 15,000 people from whom to take 1,000 redundancies. To whom does the Government refer in that regard? The reductions should have been made when the HSE was originally established rather than allowing the explosion in numbers that took place. The Government's proposals have been generic despite its claim to have considered them over the past few weeks. We need more detail.

The Government set up most of the quangos currently in existence but now we are told they are surplus to requirements. It is shameful that a huge amount of money has been wasted on them over the past decade instead of being put aside for this rainy day.

I ask for clarity on the issue of decentralisation. In my area, County Wexford, some buildings are currently under construction and negotiations are ongoing between Departments regarding who is expected to move first. The Minister needs to clearly state where this is to stop because if buildings are being constructed in anticipation of what happens in other parts of the region, the mess of decentralisation could become even bigger. We should not wait too long for the decentralisation implementation committee to report because we need to know what will happen. The process is already extremely slow but it could become an even bigger problem in the long term.

I would like more time to discuss what went wrong in regard to competitiveness. We also need time to discuss social partnership given its potential impact on Irish people over the next year.

I hope I will receive a response from the Minister in regard to decentralisation. I have focused on County Wexford but I am sure the rest of the country is facing similar issues. We need clear answers and an acknowledgement from the Government of its role in creating this problem.

Senator Marc MacSharry: I join other Senators in welcoming the Minister and I am delighted to have an opportunity to speak on the important issue of our changed economic circumstances. Senator Twomey will appreciate that, as is customary, I have to rebut his arguments. It is a shame that he did not start with tangible suggestions but he always seems to run out of time before completing his moaning. He suggested that our current woes are entirely the Government's fault.

[Senator Marc MacSharry.]

There is no question that the nation has benefited tremendously over the past decade from high growth rates. All sections of society have realised a level of prosperity as a result of the implementation of appropriate policies by consecutive Administrations over many years. I give credit to the Opposition in that Alan Dukes agreed to the Tallaght strategy once he realised that the then Fianna Fáil Government's policies were correct. We all know what Fine Gael did to him for pursuing that strategy, however.

Mortgage lending has fallen to its lowest level since data began to be collected and is 70% below the peak recorded in November 2006. That is in the United Kingdom. Approximately 42,000 mortgages have been approved, which is 27% less on the month and 60% on the year. UBS confirmed last week that it faced further heavy write-downs on exposure to troubled US credits meaning earnings for the second quarter would be "at or slightly below break-even". It is a remarkable achievement in Government for Fianna Fáil that the policies it implemented in recent years have had such an effect on the United States and the United Kingdom.

In terms of the changed economic situation, I am sure Senator Twomey is well aware that Fine Gael did not predict that this would happen. The Fine Gael manifesto of last June indicated a 4.5% growth in the year ahead. As we all know, that did not materialise. I do not blame Fine Gael for not knowing this because nobody knew circumstances would change so much throughout that period. Since then oil and food prices have risen exponentially leading to high inflation and, in turn, to high interest rates. The credit crunch was unprecedented and we are in uncertain times in terms of the international banking sector. To complete the perfect storm conditions, exchange rate difficulties, in terms of the strength of the euro against sterling and the US dollar, have resulted in Irish and euro-zone exports being less competitive than those around the world. None of this, any independent or objective commentator will admit, has anything to do with the policies that can be pursued by this Government.

In the main Ireland has benefited from its involvement in the eurozone and single currency. However, it is arguable that our signing up to a single currency at a time of unprecedented economic growth — on average 5% per year — while interest rates in the eurozone stood at 2%, may have led to a frenzy or increased activity on the part of developers or people yearning to capitalise on Ireland's new found prosperity. Money was cheap and growth was high and this arguably contributed to the growth of what some choose to call "frenzied property speculation".

The reality is that Ireland constitutes less than 1% of the eurozone economy and as such what is good for Europe is not necessarily at all times good for us. Had we been responsible for setting our own interest rates, we might have set them a little higher. The reality is, in terms of oil, food, the credit crunch and exchange rates, that nobody in the world perceived the development of the current situation. Fine Gael, which predicted a 4.5% growth, did not foresee it.

A famous person once said that when circumstances change we change our mind. That is precisely what we have done. I would like now to comment on the Government's announcement yesterday of sensible proposals, incorporating a few different measures, to address the situation. The deferral of ministerial pay rises is a prudent move, one we all support. There is no indication this issue will ever arise again. We are told only that the matter will be reviewed in 2010. The reduction in the payroll bill of 3% across the board is an admirable proposal. However, I suggest that the Minister, as far as is practicable, should be directly involved in this to ensure that front line services are maintained. It is timely that advertising and consultancy services are reviewed to increase efficiencies. There is no question but that there exists an over-

reliance on the advice of consultants when much of that expertise is available in-house. There are savings to be made in this area.

The re-organisation of the various agencies or, quangos, as some people prefer to call them, is also an admirable proposal. The Minister indicated reviews are taking place and that he will not at this time name the agencies involved. However, an announcement will be made in due course. The decentralisation programme has paused but has not been cancelled. Decentralisation has been successful in Sligo with some 900 people currently working and living in the area. I have no doubt Government will return to this programme when it is prudent to do so.

Senator Paudie Coffey: The Government made a hames of the decentralisation programme.

Senator Marc MacSharry: As the Minister stated, the review group will make recommendations on the matter. We will revisit the programme in due course.

The Government also announced prudent proposals in regard to HSE staff. In so many debates in the House on this issue there have been calls to put in place of a package for staff who are non-essential or surplus to requirements. I welcome the review. Overall, it is important the Government remains committed to protecting the most vulnerable in our society and ensures front line services are not cut in terms of current expenditure, social welfare, education and the HSE. The Government is also committed to capital projects. It is most important that in these economic times we maintain the momentum by investing in our capital programme so that we are best positioned to capitalise on the uplift when it comes.

On balance, I am delighted to have had the opportunity to contribute to this debate. Like Senator Twomey, I too could speak on this subject for quite some time. I commend the Government on the package of measures announced and for making these most difficult decisions in these changed economic times. The message we must send out to the people is that this is the party that in Government faced up to the realities of more challenging difficult situations; it has taken the required steps to ensure this country can move forward with confidence, ride out the difficulties and changed circumstances and position itself to capitalise on the upturn if and when it arrives.

Senator David Norris: I am glad to have an opportunity to contribute to this debate. Although there has been a change of ministers, Deputy Mansergh has occupied senior positions of administration before entering parliamentary life and as such he is well equipped to deal with any modest suggestions that may come from either side of the House.

I am sure the Minister of State, Deputy Mansergh, will agree that there is no avoiding the fact that the situation is serious and that it came upon us with remarkable rapidity. I am one of a number of people who believed this would happen. However, I was relying only on instinct as unlike my colleague, Senator Ross, I do not have expertise in this area. The problems that have arisen in respect of the construction industry are not entirely Irish; there are global factors involved, including the situation in regard to subprime lending in America. All of these problems are related to the neo-liberal economic policies and to the incarnation of greed as something good as represented by what I call the Leeson syndrome, namely, people, removed from the reality of ordinary people, speculating in the abstract on futures in the stock market.

I take an ideological slant on the matter with which I am sure not everybody will agree. However, we all recognise the situation exists. Two questions come to mind. How long will this economic downturn last? While it will end Government can bring it to a closure much more rapidly than might otherwise happen. Also, how badly damaged will be the most vulnerable elements in our society during that period? These are the people who most need to be protected

[Senator David Norris.]

in this situation. I refer in particular to people dependant on social welfare, people in receipt of health care and so on.

I agree there has been a collapse in the construction industry. However, that does not break my heart. No group deserved it more. The arrogance with which the building and construction industry treated people was unparalleled. I am sure the Minister of State will recall the stories echoed in this House about people being gazumped by builders who tried to squeeze more money out of them and did not honour their contracts. Everybody is aware of the attitude of individual builders to ordinary people trying to secure their services. They treated people with contempt. The regression was inevitable and necessary and my heart is not breaking over it. I heard Members on this side of the House state some people in the construction industry were earning €400 per week. I wish I had known who they were because I would have employed every last one of them. One of the bellyaches was that these people were being undercut by the Polish people. The Polish people work hard and turn up on time for work. They did not go off to South Africa on safari or to their villas in Spain halfway through contracts as builders here did. This is in some ways a salutary correction. However, I am concerned about those caught in the mortgage market. Everybody had money shoved at them. It was unconscionable. I do not have a mortgage or debts with the bank, thank God, but I remember the last time I had and it was very unpleasant. However, in recent years I was in receipt of correspondence from every bank in town. Letters poured in offering me €20,000 or €30,000. They could not get rid of money quickly enough. We must bear in mind the arrogance of the banks and the fact that they speculated in America. They also did so here many years ago and the taxpayer had to bail them out. They should be put on notice that they will not be allowed to savage the ordinary people who are being crucified by debts.

Senator MacSharry said that we should front-load the positive proposals because otherwise they would not be implemented. I have a few such proposals. They may be very naive but I would like to present them to the Minister. I whispered one or two of them into the ear of the Minister for Finance, Deputy Brian Lenihan, and also complimented him on taking this God-awful job at what was the worst time in political life to be catapulted into it. However, when I expressed my sympathy to him, he brushed it aside and said he was thoroughly enjoying the experience. Good for him. He was absolutely right to tell the conference in Dublin Castle that the building boom was coming to a shuddering halt. Why should he be criticised for this? A little more truth from members of the Government would be welcome. We can stand the truth and should hear it. The Minister also performed very well on “The Week in Politics” against a formidable opponent, Deputy Bruton, who would make a superb Minister for Finance.

Senator Terry Leyden: Really. Perhaps in the next century.

Senator David Norris: We have about six months. If things continue to slide, they will become really serious. At that point people will start talking about a Government of national unity because there is damn all difference between the two principal conservative parties, Fine Gael and Fianna Fáil. We might then have Deputy Bruton as Minister for Finance.

Senator Liam Twomey: We will be frightened then.

Senator David Norris: I will return to my suggestions. There are people of extraordinary talent who have benefited the country through their financial wisdom or artistic brilliance, including U2 and others.

Deputy Martin Mansergh: People such as the Senator.

Senator David Norris: Enormous amounts of money have been taken offshore. People have every right to do this and we cannot punish them for it. Tony O'Reilly has plenty of money somewhere around the place. Can we not lure them back? In the old days there were tax incentive schemes, but we now have public programmes that are under-capitalised. Why not say to the people concerned that now they have got away with it and have their swag offshore, we will let them bring it back without taxing them on the profits? They would be doing the work for which we do not have sufficient capital.

I ask the Minister of State to recommend to the Government that it carry out a business efficiency audit in every Department. This would be useful, for example, for An Post which owns a warehouse around the corner from me on which rent of €108,000 per year is paid. It is empty. The only time it ever had anything in it was when one of the employees moved house, at which time it contained sofas, chairs, tables, fridges and cookers. We ought not to have such waste. We cannot afford that flab. I also ask the Minister of State to ensure the capital programmes are kept as intact as possible. This is important. The Government should not lose its nerve. For goodness' sake, it should not yet again let the Frank McDonalds of this world win and cancel the metro project. It is important that we give a commitment to carrying out this project.

I am glad the Government has decided not to go ahead with the wage increases for all of us here in Leinster House, although I love such increases. I am as greedy as anyone else and my snout has been in the trough, as was said here. I will accept that cliché. I snuffled up whatever I could. It is painful that we are not to receive our 1%, but the decision was the right one and I will tell the House why. When I was running the Hirschfeld Centre, I made it my practice not to ask anybody to do something I would not do. I worked on the door, behind the cash register and cleaned the drains manually when they became clogged. That meant that I could ask any other person in the organisation to do these things because I would not ask them to do anything I would not do myself. The financial implications of cancelling our wage increase are not worth a tuppenny damn, except psychologically. If we did not endure the pain, we would not be in a position to ask anybody else to do so.

Senator Dan Boyle: All economies are cyclical. Although the nature of politics does not allow us to indulge too much in the theoretical and the philosophical, debates such as this allow us to talk about what we mean by economic wealth, what it consists of and how and when it is measured. The normal economic indicators are such that we measure economic growth in certain ways. We measure all economic activity, whether negative or positive, within certain timeframes. If we were to measure the economy since the turn of the year, it would not be seen in a particularly positive light. If we measured it in the last ten years, it would be seen as one of the best performing in the world, but if we conducted the same measurement to cover the time from the foundation of the State until the mid-1990s, say, it would certainly not be much to write home about. On these terms, we see in our own political history how the economy has ebbed and flowed and how the matter has been dealt with by successive Governments of different political affiliations.

The situation is far from ideal. It is serious and requires a particular approach. Whether it is the result of international or local indigenous factors is largely irrelevant. Any Government in office at such a time has a responsibility to do the right thing. While we have enjoyed a period of economic prosperity unparalleled in our history, it has now come to an end. Whether we have a sustainable economy for the future depends on whether we do things differently. The Opposition can talk about whether, as I argued myself as an Opposition spokesperson, we placed too much reliance on the construction sector during our last period of economic growth; whether we have a balanced economy, and the challenge that faces us in putting in place

[Senator Dan Boyle.]

measures to ensure we have a balanced economy in the future and that it is sustainable and based on appropriate levels of education, investment and infrastructure, but I have no reason to believe the steps taken as of yesterday by the Government and the Minister for Finance and being taken on an ongoing basis are the correct ones.

We are facing into a world in which our neighbouring and competing economies are all experiencing the same problems. We are facing a post-oil economy. There are also indigenous factors such as our reliance on the construction industry. A crucial aspect which in better times was one of the biggest fillips for the economy is the degree of business and consumer confidence which, as of now, has dipped and is heading in the wrong direction. The business of the Government is to make sure such confidence levels can be restored because without such confidence the economy cannot recover.

There is also an onus on the Opposition to contribute to this process. It is not so much that it is engaged in its usual role in the normal business of democracy in pointing out the failings of the Government, but it must put itself in the role of an alternative Government at any given time. It must state what it would do differently and how it would do it. I realise Fine Gael has brought out a policy document in the last week, but it must go beyond this. The people have made decisions, particularly at the last general election, regardless of the situation, that if there was an alternative Government and if it were constituted differently, the same decisions would be made in the same way and we would find ourselves in exactly the same position. That is why there is a greater need to ensure the decisions made by the Minister for Finance and the Government are fundamentally correct. Otherwise we will be pointing ourselves in the wrong direction and frittering away much of what we have achieved as a nation in the last ten years.

On these grounds I commend the decisions made yesterday and invite everyone in the Chamber to contribute to that process in the most positive way possible.

Senator Phil Prendergast: I welcome the Minister of State, Deputy Mansergh, to the Chamber. It is nice to have someone from home here.

I use this opportunity to comment on the economic situation in which we find ourselves. I do not want to be accused of talking down the economy. There is an almost subliminally pervasive air of negativity towards people who wish to deal with the reality of this economic situation but, such is life.

A fact we must deal with is that the housing market is dead and no longer the economic driver it was. Many of us feel the fall in the housing market has led to a downward economic spiral and has infected many other sectors of the economy. There must be analysis of how this was allowed to happen. Growth levels in the domestic housing market over the past eight to ten years caused us to have a very positive outlook but many of the elements they fostered are now having a long-term negative impact on the economy they were supposed to advance. While the housing market boomed we did not contribute to exports and it was all quite internal. We did not feel we had to compete with international competition in many sectors as migration to the construction industry and the consequent production of housing estates created a protective cocoon of sorts. We are now out of the cocoon and are struggling to stand on our feet.

There was great dependence on construction and it is synonymous with the boom times. It is said that for every 10,000 houses that will not be built we are knocking 1% off our growth rate and it is estimated that approximately 35,000 houses will be built this year. This is putting thousands of people out of work, which is a serious down side to all of this. I feel sorry for those who have lost jobs or who hold their breath in dread of an increase in interest rates. This is impacting on people's approach to what they must cut back on. I am not talking about relatively well-off people who may be forced not to send a child to summer camp or not to

take a second holiday. I am talking about people struggling with basics, including children's school books, uniforms for fast-growing children and so on.

Thousands of tradesmen are unemployed and we need re-skilling programmes to bring them back into the workforce. There must be a proactive approach to this as these people should not suffer due to the mismanagement of the housing sector. Construction workers, through their wages, should not struggle either as sales wane. I spoke earlier of young people with 100% mortgages and 105% mortgages who are now experiencing negative equity but it is people who made tens of millions of euro who should suffer. It should not be necessary to make this point. It is unfortunate how things have gone.

The Government has lowered the expected growth rate of the economy to 0.5%. It began the year at 3% but it fell to 2.3%, then 1.5% and now it is 0.5%. There is no real clarity on what is going on in this regard. Revenue from tax receipts is falling and the worrying fact is that more than a drop in stamp duty receipts is contributing to this — corporation tax, capital gains tax and VAT are all down. Consumer confidence is very low and we have the highest monthly increases in the live register on record. Some 54,000 people lost their jobs last year and this trend continues — every day we hear of people losing jobs. This can occur through a dribble of 30 people here and 30 people there but it affects 30 families and will have a wider effect on a community, especially small, rural communities. Investors in pensions have made significant losses on the Irish stock market. Between 1995 and 2000 export volumes grew by 20% but this figure is now around 5% and we have slipped 17 places on the competitiveness indicator in the past five or six years. The strength of the euro compared to other currencies is having a dramatic impact on companies' export capabilities and house repossessions are up 350%. These are not great statistics and I feel very sorry for the people feeling the effects of them.

This nation has one of the highest levels of personal debt in Europe and external factors, outside our control, like the oil crisis and the weak US economy have had a huge impact in contributing to the bad news. Add this to the news about the weather today and the picture is not good. We have seen probably the worst ever deterioration in Irish public finances and if the Government needs to save €500 million this year I do not think yesterday's proposals will help in a meaningful way. Nothing in yesterday's announcement will create jobs. The Government should not be thanked for abolishing certain quangos because they were created by the Government in the first place and taxpayers' money was wasted in many cases. I do not agree with cutting aid to poor people in the Third World because much positive work was done with that money. It is small change for Ireland but for people in the Third World it is hugely significant.

Nothing that has been proposed will allow for an increase in training for those seeking to reskill or get back to work. The difficulties facing the HSE alone deserve almost a full day of debate. There are many levels of bureaucracy in that organisation and many strands that operate under its umbrella. Every time a very genuine person comes before us regarding services that are or are not provided by the HSE or pointing out shortfalls in the system I wish for a magic wand. However, sometimes a magic wand is not needed and a person need only make a decision. Not giving Ministers the proposed pay rise was the least the Government could do.

We must be innovative to turn this economy around and I ask that the Minister and the Taoiseach use their abilities to do something positive. I await the outcome of this process with interest.

Debate adjourned.

Visit of member of New South Wales Legislative Council.

An Cathaoirleach: I am sure Members of the House will wish to join me in welcoming Mr. Gregory Pearce, a member of the New South Wales legislative council. On my behalf and on behalf of my colleagues in Seanad Éireann I extend a warm welcome and sincere good wishes for a successful visit to him.

Economic Policy: Statements (Resumed).

Senator John Hanafin: I welcome the Minister of State to the House.

There is no doubt that international events have impacted on Ireland's economy, not least the high price of food, the fact that the prices of commodities have risen by up to 40%, and the rise in the price of oil, which is now \$137 per barrel, despite a 12-month low of \$58 per barrel. We have seen significant changes. The American economy is heading towards a recession and the British economy is in recession. There have been difficulties here in the building sector. Recognising the difficulties, ours is a remarkable economy that has grown and will grow this year in what our finance spokesperson called a perfect storm. The economy will grow at a rate of 0.5% in the most difficult of times.

This economy is well managed, though the Opposition has often asked what we did with the good times. In the good times, we manage very well. Our Government debt is now 25% of our gross domestic product. In 1990, it was 95% and in 1993 it was also at this level. We have made remarkable strides in reducing the Government debt ratio. Similarly, we have remarkably improved our financial prospects in that the national pension reserve fund has grown to €19.379 billion this year. Not only have we reduced debt significantly, we have also put money away for the rainy day.

There are others who believe we are managing the economy well. One group, Moody's Global Sovereign, which gives no hostages to fortune whatsoever, rates the banks and does not give any pluses unless they are deserved. Its credit analysis of February 2008 states:

Ireland's Aaa government bond rating is supported by successful macroeconomic management and a competitive economy. Economic development has been characterised by strong growth which, supported by a favourable demographic profile and outward-oriented policies, contributed to a substantial rise in wealth levels over the past two decades. Deregulation and structural reforms played a key role in Ireland's efforts to make growth sustainable and the economy much more resilient to shocks. Strong investment spending and foreign direct investment (FDI) remain catalysts for the Irish economy's capacity to grow amidst the dynamics of population ageing, helped by immigration and the baby boom of the late 1970s. The success of the Irish government and the National Treasury Management Agency (NTMA) in consolidating public finances resulted in a marked drop in spending ratios and large fiscal surpluses between 1995 and 2000. Continued fiscal discipline in subsequent years helped to substantially reduce gross debt to about 25% of GDP at present.

We have been talking about continued fiscal discipline this week in respect of cuts of €440 million. These cuts could be made easily because they are in the context of a total spend of €543 billion. Therefore, they amount to less than 1%. If Ministers must forego their pay rises, they will do in the service of the public, as they do in respect of so much else.

The Moody's Global Sovereign report also states:

Strong economic growth, supported by the booming property market, has led to consistently higher tax revenues in recent years. However, higher interest and recent tensions in

credit markets have started to slow growth in what had been the most dynamic sectors of the economy.

Moody's Global Sovereign states consistently that Ireland has been well managed, continues to be governed well and has made the correct decisions. The recent ESRI report indicates there will be a slowdown for 18 months, after which we are to return to growth rates of 3.5%. The documentation states we have a well-managed economy and implies we should not be concentrating on the few difficulties we must and will deal with but on how circumstances will change and how the Government will manage through the difficulties.

If oil prices are to remain at their current level, many economies will continue to experience difficulties. The reality is that there is no shortage of oil but a shortage in production capacity. If there is no world shortage of oil, one can increase production capacity, as is occurring. New refineries are opening in India, Canada and elsewhere. One problem associated with the high price of oil was the fact that hurricane Katrina ripped through two of the United States' major refineries in the Gulf of Mexico, thus cutting off 6% of US production. I would like to see a return to more sustainable oil prices. With a 2% shortage, prices can reach any height, and with a 2% surplus, they can fall to any level. I would much prefer to see a sustainable rate of \$60 per barrel rather than \$138 in the shorter term.

The reality is that the shortage of oil is a misnomer. Large areas have yet to be explored and the reality is that, for years, it did not pay people to take the oil out of the ground. Marginal fields were passed over and before the period to which I refer, the Brent oilfield was marginally profitable, at \$5 per barrel. We witnessed this within the past two decades.

We are facing a short-term fillip, as we saw in the wake of the events of 11 September 2001 and the dotcom boom. The Government will get over it and will continue to manage finances in a prudent and positive manner, as it has done heretofore and as it demonstrated yesterday.

Senator Paudie Coffey: I have listened with interest to some of the contributors and heard them refer to a "well-managed economy". When I hear this, I wonder whether we are living in the real world. The economy has enjoyed great growth over recent years and I acknowledge international factors, such as the price of oil, will affect it, but I would not go so far as to say it was well managed. In this regard, the facts speak for themselves. We have just experienced the greatest deterioration in public finances in the history of the State, amounting to €10 billion. In the past five years we have gone from a high to an all-time low. This certainly does not indicate that the economy is well managed.

Having listened to the Government spokespersons, I believe they are in denial. They, as public representatives, know the reality on the ground is that people face serious challenges and are experiencing hardship in regard to front-line services. Some Members have referred to these, be they in respect of education, health or other areas. Given these genuine challenges, we should not be in denial. The Government propagated over-dependency on the construction industry for the past ten years, despite warnings from independent economists, the media and members of the Opposition, who were all called prophets of doom.

We welcomed the construction boom but felt it needed to be better managed. All the while, the Government neglected our competitiveness, export markets and manufacturing industry. Our traditional indigenous industries, which have stood the test of time, are now falling by the wayside. This is not the result of having a well-managed economy.

I come from Waterford, where two flagship manufacturing industries, Waterford Stanley and Waterford Crystal, which have exported all over the world, are experiencing serious difficulties in the present economic climate. These companies, which are bigger than average, have received no help from the Government. Hundreds, if not thousands, of smaller manufacturing

[Senator Paudie Coffey.]

companies are going to the wall by the day. I refer to companies employing four and five people. The employers were willing to put their necks on the line, acquire skills and take out loans on the strength of the value of their houses with a view to creating jobs. They are being neglected by the Government, yet we are carried away by the great idea that we have had a well-managed economy. I ask the Government spokespersons to enter the real world.

Thousands of young construction workers and apprentices, trained over the past five or six years, have no prospect of work. The hated word with which I grew up in the 1980s, “emigration”, is now being used again. Young fellows from my area are talking about it because they cannot get work. People of my own generation, who have made personal commitments and who have taken on mortgages to buy very costly houses, now face the challenge posed by negative equity. Let us not be afraid of facing up to this if we are to manage the economy properly. The people to whom I refer will be exposed over the next generation and have job insecurities because of the way the economy has been managed and because the Government put all its eggs in one basket. Any financial commentator, economist or adviser will tell one that one should not put all one’s eggs in one basket, be it in respect of personal savings or otherwise. However, this is essentially what the Government did and that is why we are so exposed at present.

On the view that we have had a “well managed” economy, I draw attention to the overruns of recent years. Some €52 million was wasted on electronic voting, €160 million on PPARS, €37 million on the Kilkenny flood relief scheme, €99.5 million on Campus Stadium Ireland, €471 million on the Luas and €350 million on the Dublin Port tunnel. Bearing in mind these figures, we must ask what planet we are on if we argue the economy was well managed. Any compliant taxpayer should be appalled. I make no apology for becoming passionate because I am a hardworking member of the tax-paying community and I meet people on a daily basis who have worked hard to build this economy. However, I have no difficulty in stating the Government has put the money down the tubes and has squandered the good times.

We now face serious and challenging times. I refer to national development, regarding which the Government gave clear commitments to the effect it would continue to invest in infrastructure. However, Ireland has almost the lowest broadband penetration in the EU, despite being a country that describes itself as being at the leading edge in technology. Northern Ireland, which is on the same island as this State, has almost 100% penetration in both urban and rural areas. Although Ireland describes itself a leading economy, our broadband penetration is below 25%. This is a joke.

We also face the serious challenge of climate change in respect of which significant targets have been set. Ireland has committed itself to reaching those targets on a cross-party basis. However, serious financial implications arise in respect of such challenges. How will they affect the Exchequer and how will we meet such targets? My questions pertain to front-line services, cuts to resources and the various challenges regarding the costs of living, food and fuel. Such challenges must be met over the next five to ten years.

Accusations have been made across the floor that Fine Gael is unwilling to stand up and be counted. When my party was called on previously, it stood up and was counted. Fine Gael always has stood by this country and will do so again. We will make serious contributions on how to overcome the problems afflicting this economy and how to bring it back to its desired state. Deputy Richard Bruton, who is Fine Gael’s spokesperson on finance and the economy, has made suggestions with the requisite level of detail. However, neither the Taoiseach nor his Ministers are providing such detail. Instead, one hears bland and overscaled suggestions as to how he intends to turn around the economy. Members will see how this will take effect in the

years to come. I will pay close attention to how this will affect front-line services, particularly given the waste that has taken place in recent years.

Senator Larry Butler: I must disagree strongly with what Senator Coffey considers to be waste in the economy, such as the port tunnel and the Luas, both of which were important items of infrastructure.

Senator Paudie Coffey: I referred to overspending, which constitutes waste.

An Leas-Chathaoirleach: Senator Butler, without interruption.

Senator Paudie Coffey: The Senator should get his facts right.

Senator Larry Butler: I did not interrupt Senator Coffey while he made his contribution.

Over the past decade, Ireland has experienced economic transformation. It is the envy of the world in respect of how we have conducted and managed the economy. The enterprise of the citizens has been guided and led by sound economic policies of successive Government. I give credit to all Governments that have been in office in recent years. However, the present Government in particular has managed an outstanding economy. This has been achieved while delivering budget surpluses in ten of the past 11 years. The record speaks for itself and the public can be assured of the Government's determination to build, further and achieve the correct conditions for sound growth in the years ahead.

Ireland faces a shortfall of approximately €3 billion in its tax revenues. This is the equivalent to the VAT that would come from 40,000 houses, which is the present level of construction and continues to be invested in our economy. A total of €1.4 billion could come from the 13% VAT rate on such construction, which would leave us with a shortfall of approximately €1.6 billion. I believe that within the next year or a year and a half, a total change in revenue in this regard could take place.

Capital investment must remain a top priority and will ensure that Ireland will continue to have proper infrastructure in the future. As for pension investment in the National Treasury Management Agency, capital should be invested in energy, roads and water. I believe an opportunity exists to invest the pension funds there. The Government should support a national housing agency to provide affordable, social and ownership schemes. I believe an opportunity exists to put affordable housing to the forefront.

I have heard Senator Twomey refer from the Opposition benches to frenzy, developers and greed. Members should not forget that frenzy, developers and greed have put €2.14 billion into the local authorities' coffers from 2000 to 2006. This constitutes an enormous investment at local level, which has given great impetus to local services and should not be overlooked.

In the past 11 years, the Government has invested the fruits of our economic success, in schools, roads, public transport and other environmental infrastructures.

Senator Jerry Buttimer: Where is the public transport development?

An Leas-Chathaoirleach: Senator Buttimer, please. Senator Butler, without interruption.

Senator Larry Butler: I will not interrupt Senator Buttimer when he speaks.

Senator Jerry Buttimer: That is the Senator's cant for everything. He should give Members the facts.

An Leas-Chathaoirleach: Senator Butler, without interruption.

Senator Jerry Buttimer: He should give Members the facts.

An Leas-Chathaoirleach: Senator Buttimer, please.

Senator Jerry Buttimer: We have no rail links.

An Leas-Chathaoirleach: Senator Buttimer should allow Senator Butler, without interruption.

Senator Jerry Buttimer: He is merely waffling.

Senator Larry Butler: I will provide the facts if the Senator does not interrupt.

I refer to public investment. The Government has dramatically increased State pensions and child benefit. I am sure Senator Buttimer will agree these are important matters. We have improved in terms of the numbers of doctors, nurses, teachers in schools——

Senator Jerry Buttimer: Teachers of what? On a point of order, teacher of what?

An Leas-Chathaoirleach: Senator Butler, without interruption. Senator Buttimer, that is not a point of order.

Senator Jerry Buttimer: I am a school teacher. Senator Butler should tell me where the Government has improved in regard to teachers.

An Leas-Chathaoirleach: Senator Buttimer, please. Allow Senator Butler, without interruption.

Senator Larry Butler: The Government has employed a dramatic number of new teachers in schools.

Senator Jerry Buttimer: It has not.

Senator Larry Butler: I refer to doctors and nurse. The Government stands by the investment made in these people, who work in our services every day.

Senator Jerry Buttimer: The Government will be cutting services tomorrow.

An Leas-Chathaoirleach: Senator Butler, without interruption, please.

Senator Larry Butler: It is not appropriate to run down the people who deliver services on the front line, such as teachers, nurse and doctors.

Senator Jerry Buttimer: The last of the summer wine.

An Leas-Chathaoirleach: Senator Buttimer should allow Senator Butler to continue.

Senator Larry Butler: We cannot control world events and must be careful to channel our efforts into those areas that we can control. The Government has taken action in that regard this week.

It is important that the Government continues with its work in the economy in respect of support for those who now are becoming unemployed. We have supported them in the hard times and will do so again.

Senator John Hanafin: Hear, hear.

Senator Larry Butler: I refer to those who are on pensions or are old age pensioners. Members will agree the amount of the old age pension has been increased to what I consider to be a reasonable standard. The same is true for children's allowances. The Government has done all these things. While Senator Buttimer might complain about what has been done, these were all important improvements——

Senator Jerry Buttimer: What is the cost of living now?

Senator Larry Butler: ——in the economy. I agree there has been good and careful management of the economy in the past ten years.

Senator Jerry Buttimer: The Senator should desist. This is a joke.

Senator Larry Butler: While Senator Buttimer speaks of how Fianna Fáil mismanaged the economy, when his party was in government, it was unable to increase the old age pension by more than €10.

Senator Paudie Coffey: Fine Gael handed over an economy in surplus.

Senator Jerry Buttimer: Fine Gael handed over an economy in perfect order.

An Leas-Chathaoirleach: Senator Butler, to conclude.

Senator Jerry Buttimer: The Senator should go back to Jack Lynch's Government, or to that of Mr. Haughey. He should consider the examples of 1977 or 1981.

An Leas-Chathaoirleach: Senator Butler, to conclude.

Senator Larry Butler: The most miserable increase in social welfare——

Senator Jerry Buttimer: I have the facts about who wrecked the country's economy.

An Leas-Chathaoirleach: Senator Buttimer, please.

Senator Jerry Buttimer: Senator Butler is highly selective.

An Leas-Chathaoirleach: Senator Butler, to conclude.

Senator Larry Butler: At the time, the Fine Gael-led Government doubled the national debt.

Senator Paudie Coffey: Fine Gael handed over a perfectly good economy in 1997.

Senator Jerry Buttimer: The present Government squandered a surplus of €2 billion.

An Leas-Chathaoirleach: Senator Butler, to conclude.

Senator Larry Butler: Thereafter, Fianna Fáil was obliged to step in to put matters right. The Members opposite should not tell Fianna Fáil Members about their record.

Senator Paudie Coffey: The Senator should not worry. We will remind him.

Senator Jerry Buttimer: The Senator is like the last of the summer wine.

Senator Shane Ross: I am glad not to have been caught in that crossfire and I hope to be able to keep out of it in the next few minutes. I have a view on the economy and the political battle that goes on, that nothing is as good or as bad as both sides are saying and not all of it

[Senator Shane Ross.]

is particularly relevant. I am a long time on record as stating that the stewardship of Mr. McCreevy, while it may have been an easy time, was superb in that he was prepared to take the economy in a new direction, which might have been at a political cost to himself — it may be why he is where he is now — but which was radical and introduced a new philosophy into the running of the economy which has worked extremely well.

In having set us on a sound course, it is a little strange that it appears this week that the Government has suddenly woken up to the fact that it could not last forever and that the kind of prosperity it created was not eternal. The reaction and the statement yesterday would make those of us who are great supporters of the fundamental thrust of the economic thinking wonder whether there was any other thinking among Ministers in the Government up to a few weeks ago, when they suddenly realised that the economy was in trouble.

The economy is in trouble. Let us face it, it is a crisis. No one element, but a mixture, is to blame. It includes lack of Government foresight and preparation, Government smugness and electoral timetables. There are the international forces as well.

It is up to the Government to take action, which it should have recognised a long time ago, to bring us back on course, not for the sort of prosperity to which we have been used because that is not likely to return, but to steady, moderate and encouraging growth.

For the Government to now state that the fundamentals are sound, which Senator Coffey rightly touched on, is not true. The fundamentals were sound but not any longer.

It depends to some extent on what fundamentals one chooses, and one can be as selective as one likes. One can take, as the Government side is taking, and as Senator Hanafin took, the NTMA, the National Pension Reserve Fund and other areas, and state that they are sound and we have done well. However, on the other side are the sudden downward spiral in the budget deficit, the worrying inflation rate, the soaring unemployment rate, the reaction in the stock exchange, which has knocked billions of euro off the value of our companies, and other such elements. It depends which one chooses, but we know that all those I have listed as on the minus side were not there a year ago. Therefore, things are bad, worrying and getting worse. It is a question of how bad they are and whether the Government is prepared to do anything about it.

It would be unfair at this stage to state that the problem has not been recognised and it would be unfair to state that the remedies have not been taken, partly because we do not know what the remedies are. The problem has been recognised in terms of rhetoric but we do not know whether the remedies are specific. In this regard, in terms of the principle of what the Minister spelt out today, I have little quarrel with him but in terms of implementation, I am very doubtful that it will happen because I do not understand why the specifics could not have been spelt out already.

However, I was encouraged. As there is little time available to me, I will concentrate only on one or two matters. I was encouraged to some extent by what the Minister's aspirations and intentions appeared to be. He stated specifically there would be a review — not an encouraging word — of State agencies. I would have thought that if the Minister was trying to save €450 million this year, he would not have to look any further than State agencies. I would have thought that he need not worry about all the Departments saving small amounts of money. State agencies would save him €450 million in no time. In fact, he might not even have to look much further next year.

I would have thought that if he was looking at State agencies for €450 million, the Minister would not have to look any further than one of them. What will he do about FÁS? I do not

know whether the Minister of State, Deputy Mansergh knows that the budget of FÁS is €1 billion a year, which comes straight out of the State coffers.

FÁS is a State agency which has attracted a great deal of unwelcome attention recently, not just because of the press publicity, which was attracted by extraordinary activities which involved an enormous and questionable waste of money and, therefore, serious question marks about the culture in FÁS, but because it was found by the Government's own auditor, the Comptroller and Auditor General, to be wasting huge sums of money. It is an open goal for the Government. Its own auditor has found that FÁS is wasting money. There is a need, therefore, to review its €1 billion budget.

Although this is back of the envelop stuff, it is my guess from reading the FÁS annual report, which is fairly incomprehensible and totally uninformative about where the money is spent, that the €1 billion budget could be chopped by half and nobody would notice. I do not know what FÁS does. When I spoke about FÁS previously it showed me around and all I saw was empty offices, massive equipment and nobody there.

I do not doubt that FÁS does a certain amount of good work, but in terms of value for money this is a State agency which is in crying need of being drastically cut. It has become close to being a political slush fund. Nobody knows where the money goes, nobody knows where it is spent, nobody knows what the priority is but, because it must produce
 4 o'clock accounts, we know it receives €1 billion in funding and that it got more than €1 billion when unemployment virtually did not exist and it was meant to be sorting out the unemployment problem. Some of the money came from EU funding. If I was part of the Government I would be worried that the European Commission would shortly ask where its money was going because there are questions being asked by the Comptroller and Auditor General.

The Government should look at FÁS, state that it does some good work but that it knows money is being wasted and that its budget should be cut by half. That would solve the Government's €450 million difficulty, but it will not do it because there are too many political implications. Let the good work go on but let the wastage stop. I do not know what FÁS does but we know it is wasting money.

I would make one appeal to the Government, and Senator Coffey touched on this. When it is making cuts it could give a commitment, not only with regard to the NDP, to which it has responsibly made a commitment and with which all agree, but also to not cut the budget for the roll-out of broadband. This is the biggest infrastructural issue facing the Government and Ireland at present. It has the potential to do the maximum amount of damage to this country if we do not get it in order.

Senator Paudie Coffey: Hear, hear.

Senator Shane Ross: It is all very well for spokesman after spokesman to state we are well positioned for the next upturn — this is a kind of mantra one hears from every company in trouble. It is an untruth. We are not well positioned for the next upturn. If we do not have broadband, for which I do not care whether the Government gets the money from current or capital expenditure, or whether from borrowing, we will not be positioned at all for the next upturn and we will be on a downward slide where our competitors will overtake us in Europe and overseas. Let us get a commitment from the Government that, whatever happens, investment in that element of infrastructure is sacrosanct and will be maintained. Otherwise we will be on an inexorable slide and the Celtic tiger will be a distant memory.

Senator Fiona O'Malley: I was glad when Senator Ross spoke, I began to see the value of Independent Senators. He promised he would take a measured and temperate line and acknowledged that the Government has not wasted all the money at its disposal. There some 2 million people — the Minister of State referred to this in his speech — now employed in the country. This is an important point which the Opposition tends to forget.

Senator Paudie Coffey: The Senator should not rest on her laurels.

Senator Fiona O'Malley: I do not necessarily agree with Senator Ross's points about FÁS. It is easy to take a swipe, as he has done, but we should not forget the many people trained and re-trained within the organisation. A review of the work of FÁS is to be welcomed, as it would tell us where we need to make changes and where services are no longer required or no longer performing the function for which they were first established.

I agree with Senator Ross's remarks on broadband, the provision of which is fundamental. The Minister for Communications, Energy and Natural Resources, Deputy Eamon Ryan, indicated this week that broadband roll-out is progressing very quickly.

Senator Jerry Buttimer: Not quickly enough.

Senator Fiona O'Malley: It started this week. Senator Buttimer wishes everything happened yesterday, but it does not work in that way.

Senator Maurice Cummins: Some ten years in Government.

Senator Paudie Coffey: The Government has been in power for ten years.

Senator Fiona O'Malley: I hope Senators will contain themselves and allow me make my contribution.

Senator Jerry Buttimer: The Senator is suffering from a bad dose of forgetfulness.

Senator Fiona O'Malley: We should remember, as Senator Ross acknowledged, that the fundamentals of the economy are sound. Were it not for the construction sector, the economy would still be growing at 4% per annum, something of which we should be proud. It concerns me that some people speak with such negativity when discussing the economy, because when outside influences begin to hear this they, in turn, will worry about the state of it. We could do ourselves damage in this way. There is not a recession here.

Senator Maurice Cummins: The Government has wasted the boom.

Senator Fiona O'Malley: The mantra of the Opposition, and especially Fine Gael, is that we have wasted the boom.

Senator Paudie Coffey: Of course it has. A turnaround of some €10 billion representing the biggest deterioration in the public finances in the history of the State.

Senator Fiona O'Malley: I refer again to the figure of in excess of 1 million people who——

Senator Paudie Coffey: The Senator is in denial.

An Cathaoirleach: Please allow Senator O'Malley to finish her contribution.

Senator Fiona O'Malley: Unemployment in this country is at a level which is the envy of the rest of Europe.

Senator Paudie Coffey: The live register contains the highest figures in ten years.

Senator Fiona O'Malley: I would appreciate silence while I make my points. We have an enviable level of employment in this country and we should not lose sight of this. In areas where there is employment, people are able to build, grow and contribute to the economy. It is easy to sit on the far side of the House and throw jibes at the Government, saying we have wasted the boom. However, we should not forget all the people currently in employment and the number of schools that have been built.

Senator Jerry Buttimer: What schools are these?

Senator Paudie Coffey: They are only prefabs.

Senator Fiona O'Malley: We should remember that we are not yet in a recession. We are experiencing a slowdown. Yesterday's presentation was not the announcement of a new economic strategy, but a recognition——

Senator Maurice Cummins: The Government is not capable of that.

Senator Fiona O'Malley: ——that we are not going back to the spiral of borrowing and decline that happened previously. This is a very prudent and responsible response. It is an initial response, not the end of a strategy. It is a recognition that we are not reverting to what was done during the 1970s and 1980s, which is welcome.

I do not mind using the term “cutbacks”, although “adjustment” may be more accurate. The level of expected growth has changed and, therefore, midway through the financial year we have had to readjust issues because that money is not there. It is simply not possible to spend money one does not have. I have learned during my time on the Government side that one must remain constant and consistent.

Senator Jerry Buttimer: The Senator is correct on that.

Senator Fiona O'Malley: This brings with it a discipline which is important. It makes no sense to sit on the Opposition side and seek an increase in expenditure in several areas——

Senator Jerry Buttimer: The Senator sounds like Senator Boyle now.

Senator Fiona O'Malley: ——where it previously looked for cuts.

Senator Paudie Coffey: We want accountability.

Senator Fiona O'Malley: A calm approach is needed.

Senator Paudie Coffey: We got that all right.

Senator Fiona O'Malley: There is no need for a knee-jerk reaction, which is what we are getting. We are examining——

Senator Paudie Coffey: The Government is sleepwalking into a recession.

An Cathaoirleach: Please allow Senator O'Malley to finish her contribution.

Senator Fiona O'Malley: The fact that these measures were taken yesterday is an indication that is not the case. I commend the Minister for the work done.

Senator Jerry Buttimer: Of course the Senator does.

Senator Fiona O'Malley: I look forward to examining how we can ensure the economy is allowed to continue to grow in these more difficult circumstances.

Senator Jerry Buttimer: I welcome the Minister of State——

Senator Marc MacSharry: We will not be interrupting the Senator, so he need not worry.

Senator Jerry Buttimer: I welcome the Minister of State, Deputy Mansergh, or perhaps I should call him the chairperson of the joint public procurement operation involving the OPW and the Department of Finance. The days of “Mac the Knife” are back and it is time the Government side woke up to the reality. Senator O'Malley in her spirited——

Senator Fiona O'Malley: That is not a bad situation.

Senator Jerry Buttimer: ——defence of the Government sounded like a member of the Dibley parish council. In the past ten years we heard the slogan: “A lot done, more to do”. Last year we heard: “Now, the next steps”. We were then told by the Minister of State, Deputy Mansergh, and his cronies that we could not be trusted with the economy.

Senator Marc MacSharry: What about the Fine Gael report, Recovery through Reform, or whatever it is called.

Senator Jerry Buttimer: The Government built the boom on a false premise with no foundation and this has cost the people dearly. This debate is about the Government, its performance, its economic competence and its lack of credibility in dealing with the economy. Let us not cod ourselves, or use language that will camouflage or hide the reality.

This Government is the master of overspending, overruns and lack of timeline planning and it is discredited. It ran a €2 billion surplus and there is now an €8 billion deficit. Where is it all gone? The Minister of State, Deputy Mansergh, will attend the House in the autumn and tell us he will save €50 million. This is a fairy tale like *Alice in Wonderland*. The champagne days are over. Senator Ross spoke of the former Minister for Finance, Mr. Charlie McCreevey. This situation is the product of a Government without joined-up thinking. This is a Government, as Senator Ross said, that lacks foresight and planning. It is arrogant and has treated the people with contempt.

We welcome action, reform of waste and a recognition that the Government needed to address the direction in which it was headed. We were on a train-wreck and, in many ways, we still are. Despite the comments of others, Oppositions do not talk countries into recessions, whereas lack of Government leadership and action does.

The fundamentals of this economy are headed in the wrong direction. Unemployment is up, growth has collapsed, the tax intake is down and housing sales have plummeted. Let there be no turning with the National Development Plan. Let us make Ireland more competitive, as Senator Coffey said, in the area of broadband. We have seen no meaningful action in this area. We must examine the way we train and upskill people.

I listened to Senator MacSharry's spirited defence and I admire him for coming to the house with some bottle to defend his team, as he must. However, I remind the Senator and the Minister of State, Deputy Mansergh, of the slogan, “Health cuts hurt the old, the sick and the handicapped”. The Government has said nothing of what the fine print contains or how people will be affected.

Dr. Alan Barrett, an independent commentator and author of the recent ESRI report, has stated: “Everyone knows the downturn in the public finances is because the Government blew

the finances from the boom which everyone knew would be temporary". Some 19,000 extra people signed on the unemployment register between May and June, which represents 635 people losing their job every day. At least an extra 54,000 people have lost their job and the live register has risen by one third. It amounts to a rise of 6% in unemployment since the Government was returned to power.

Will the Minister of State outline where the cuts will be made? Although the Minister of State can use fancy lingo, they are cuts. Who will be responsible for a failure to meet the 3% reduction in the public payroll? Who will make the 3% payroll cut in city, county and town councils, State agencies and all local authorities? Who will direct the directors of services and county and city managers? Will the Minister of State give us a cast iron guarantee today that front line services in the Departments of Health and Children and Education and Science will not be affected? We must hear it.

We are talking about Irish men, women and children being affected by the Government's inability to manage the economy.

Senator Marc MacSharry: The Senator should leave time for his suggestions and not just the moaning.

Senator Jerry Buttimer: This Government makes it up as it goes along. Senator Butler spoke about the elderly and pensions today but the Government has hurt these people. What has happened to the fair deal scheme for people in nursing homes?

Senator Maurice Cummins: It is gone with the washing.

Senator Jerry Buttimer: A man rang me this morning whose father is affected by dementia. A service changing the father's nappies has reduced the changes from six to four per day. The man is in his eighties. A woman who rang me this morning told me it takes courage to grow old in this country today. That is a reality.

The Minister should come out of his State car to listen to the ordinary people. The Government has frozen recruitment in the health sector.

Deputy Martin Mansergh: I do not have a State car.

Senator Jerry Buttimer: The Minister of State has a driver.

Deputy Martin Mansergh: Not yet.

Senator Jerry Buttimer: If he does not, he is on the bike. Perhaps the Minister of State is the first to feel the pay freeze, which I welcome.

Never before has a Government drunk champagne and spilled it. The ordinary people, our neighbours, are suffering. The Minister of State may think I am being dramatic and throw his eyes to heaven but the reality is the Government and its cuts are affecting people. I hope the people will wake up and realise the Government has mismanaged the economy for 11 years.

Senator Mary M. White: I was very pleased to read today in the *Irish Times* the statement by the Taoiseach, Deputy Brian Cowen. One of his points was that we will examine measures to reduce the cost of doing business in Ireland to stimulate export-led growth and enhanced productivity.

This is very satisfying to me as I have sat here for years as part of a team that created a company with jobs for 150 people. Builders, developers, banks and the burgeoning property development companies were the sexiest and most appealing factors for the political drivers of

[Senator Mary M. White.]

the Irish economy. I was very conscious as a business person that the people out there fighting morning, noon and night to get their business to survive in a highly competitive global economy had very little respect from the leaders of Government. The Taoiseach's statement is very satisfying.

I hope I am getting the point across to the Minister of State. Sitting here, I listened to the lauding of property developers and the oversupply of housing stock and apartments but I knew that no economy could sustain growth from that kind of economic activity. This has led to a rediscovery of the traded sector. Anybody who has listened to me over the years knows that the only reason we go anywhere with regard to jobs is when people make manufactured goods or services that are sold for export. Somebody will buy them and send money back to this country. We do not exist as a country unless we are making goods and services which somebody else in the wider economy wants to buy.

We are at long last back to appreciating that the bedrock of our economy is built on the drive of the Irish and foreign-owned companies that export in the teeth of international competition and create added value, purchasing power and tax revenues in this country.

It is such companies, supported by Enterprise Ireland, which exported more than €16 billion of goods and services from our shore last year, up €1.5 billion on the previous year. The Irish-owned companies backed by Enterprise Ireland directly employ 150,000 people. Another 160,000 people are employed by IDA-backed companies and foreign-owned companies directly employ 136,000 people, and at least as much more again indirectly. Foreign companies spend €16 billion directly on the Irish payroll a year. Of that €16 billion, €7 billion is wages. The other €9 billion goes to purchasing services.

Having built up a company from nothing and been out competing in the global economy, I know the work is relentless and sustaining a business is an experience covering 24 hours a day, seven days a week. I am glad that we are now recognising this.

I will finish by referring again to the Taoiseach's statement. He indicated that we will examine measures to reduce the cost of doing business in Ireland to stimulate export-led growth and enhanced productivity. We only survive as a country because we have people producing goods and services others want to buy.

The levy charged by local authorities on manufacturing and service industries is a disgrace. Local authority development levies should be eliminated as the same levies are applied to the manufacturing and service sector as the retail sector. Anybody who knows the basics of economics will realise the only reason retail sectors exist is because people are making goods and services for export. If we do not have people employed in these indigenous Irish owned companies, people will not be able to go shopping or have money to purchase goods. Why should the local authorities apply the same developmental levies to the manufacturing sector as those who are trading? We should move on the issue.

I thank the Minister of State for coming to the House. It is a great day for me as a business person. I have sat here, pained at hearing how the economy was doing brilliantly because of the construction industry. We were just putting up buildings. Anybody who knew anything about economics knew in their heart and soul that could not be sustained. We should return to encouraging more people to start up businesses.

This morning I heard on a programme that the EU is asking what it can do to encourage people to set up businesses and improve medium-sized businesses. I put on record my appreciation of Enterprise Ireland and IDA Ireland and what they have done for this country.

Senator Alex White: My namesake, Senator Mary White, is correct when she says anybody could have seen that the construction boom could not be sustained, and that anybody could see the necessity to take other measures and plan for the future success of the Irish economy by promoting innovation. If she is correct, then her colleagues in Government are guilty of the most serious dereliction of duty to be possibly imagined. If it was evident to anybody in his or her right mind that the construction boom would not be sustained, why did the Taoiseach, Minister for Finance and Minister of State, Deputy Mansergh, all of whom are presumably in their right minds, not see this, just as the rest of us did in recent years? Senator Mary White is correct in this respect and the Government has a case to answer.

Last week, when Senators briefly debated these issues on the Order of Business and several other occasions, a number of speakers promised that a set of visionary, forward looking announcements would be made this week in both Houses. This is not what transpired. Rather than a vision or plan, we have nothing more than a list of cuts which are euphemistically referred to as savings.

The Government believes it is necessary to take quick action to address what it perceives to be an immediate problem in the public finances. There is an air of unreality in the attempt by Senator MacSharry and other Government speakers to turn the debate around by asking what the Opposition would do in these circumstances. Is the Senator asking the Opposition to produce a list of cuts? Is that the level at which he wants to have a debate on the future of the economy? I will not play that game. Instead of producing a sterile list of cutbacks, we need the Government to show the vision we were promised. My party will not congratulate a Ministers or the Government on sitting down with officials and devising a list of cuts when they failed to act quickly or with sufficient skill to prevent this state of affairs from arising in the first place. Congratulations and commendations are not called for in these circumstances. On the contrary, the most serious criticism must be levelled at the Government's door.

It has been repeatedly claimed that our current economic problems are internationally generated. The Minister of State, Deputy Mansergh, takes an interest in language and, I expect, in the precise meaning of words. Senators MacSharry and Hanafin may point to examples of economic difficulties in other countries but this is not evidence of cause and effect, as the most basic economics would demonstrate. One must examine the factual basis for what has occurred rather than making a spurious argument that economic difficulties being experienced in other countries are the cause of our difficulties.

Mr. Paul Tansey, an independent economic journalist, has not been taken to task by any other serious commentator for soberly and solemnly stating the following:

The recession has not been triggered by the global economic slowdown or even by the surge in world prices for energy and food. Its origins are closer to home. The recession is the result of a fall in domestic demand.

As Senator Buttimer pointed out, serious commentators, including the authors of the ESRI report, and anyone else who examines and analyses the facts before us, will clearly and fairly conclude that the economic problems we face are domestically generated, albeit against the background of difficulties on the world stage. It is not the case that these difficulties are causing our economic problems. For this reason, I repeat the call I made last week that speakers show care and precision. Senator Hanafin and others who use the Moody's report or other reports they manage to find using Google or some other means to suggest the economic problems we are experiencing are beyond our control and comparable to some sort of rain shower are trying to pull the wool over our eyes. We could control them.

[Senator Alex White.]

Senator Mary White is correct. Over the years the Government has been party to knowingly and deliberately over-priming the construction sector as the repository of our economic prospects. It failed to address issues such as those raised by the Senator and instead set its store on construction. In development after development, whether large or small or in urban or rural areas, it massively over-incentivised the construction sector and failed to direct prudent investment into areas which would have yielded long-term results for the economy.

To paraphrase Senator Mary White again, anyone in his or her right mind could see that setting all of our store by the construction industry was not going to work. I criticise the former Minister for Finance, Mr. Charlie McCreevy, for introducing many incentives for construction. Are such incentives not in stark contrast with the collapse of public-private partnership projects to replace old housing stock in Dublin with State assistance? All over the country housing units are lying idle. Perhaps the Department has carried out a survey to determine how many housing units from the great boom are unoccupied. Is it not an extraordinary imbalance that thousands and perhaps tens of thousands of housing units are lying idle, perhaps as a result of some speculative adventure or due to uncertainty on the part of builders and developers about what they will do with them, while at the same time people are crying out for the provision of proper housing and accommodation in areas such as those which were supposed to be served by the collapsed public-private partnerships? The reality facing some people is in stark contrast to the position in which others find themselves.

The Government can have an impact on our current economic problems, which are in large measure home-grown. Government Senators have argued the Opposition should be involved in determining economic policy. I agree but its role should not be confined to engaging in a book-keeping exercise in which all sides produce lists of cuts. Senator Boyle argues the Opposition should be involved in developing a visionary approach on the type of economic activity which will be productive in the long term. If the Government seriously intends to involve and listen to Opposition parties, let us plan for the future in a real sense, rather than making rhetorical flourishes when things are going badly or shouting across the floor that the Opposition should give it a hand. That approach will not work.

Senator Maurice Cummins: I listened to the bluff and bluster of Senator MacSharry who seeks another Tallaght strategy. It is not the first time the Senator has referred to the Tallaght strategy.

Senator Marc MacSharry: Fine Gael shafted poor Alan Dukes.

Senator Maurice Cummins: He seeks responsible opposition. Like Senator Alex White, I assure Senator MacSharry that if he believes the Opposition will bail him out by proposing a list of cuts, he is knocking on the wrong door. If he wants the Fine Gael Party to make proposals, I suggest he reads our detailed plan entitled Recovery to Reform, which contains key action points to deal with the current crisis.

Senator Marc MacSharry: I read it.

Senator Maurice Cummins: The economy would not be in such a state if the Government had managed the public finances properly and prudently instead of wasting taxpayers' money on schemes such as PPARS and electronic voting machines, to which Senator Coffey referred, and many other daft projects which were not thought through in a meaningful or serious manner. One need only consider the establishment of the many quangos which duplicated other services. Only now has it dawned on the Government that it must address waste in this area, although it has of course failed to provide details of what action it intends to take.

The Government's decision to halt decentralisation and reduce spending on consultancies, advertising and public relations is merely a belated recognition of the amount of taxpayers' money that has been wasted in these areas in recent years. Yesterday's dazed and confused response shows that the Government is failing, even now, to come to terms with the seriousness of the recession which we are in and for which it is largely responsible. That with which we were presented is not a plan, it is a mixture of ideas and promises of reviews. The Government's response has not been thought through and is completely lacking in detail.

A breakdown has not been provided in respect of from where the €1 billion in savings to be made in 2009 will come. No detail has been given regarding the cutbacks that will be introduced in the areas of health and education. There is no guarantee that front-line services will be protected. There is no breakdown regarding the current-capital savings that are being proposed and there is no indication that Ministers will be held responsible in the context of meeting targets in respect of such savings. The latter is a key point where the Government is concerned because no one is prepared to accept responsibility. There has been no accountability on the part of the Government for the past ten years. How can we believe that it will suddenly become responsible and accountable?

What we needed from the Government yesterday was the introduction of a strategy to reduce inflation, tackle matters relating to competitiveness and bring about real reform. Instead, it failed to introduce anti-inflation provisions and has done nothing to assist those who are out of work or the property market.

A spin was put on matters to the effect that there would be no cutbacks in health or education. However, today's newspapers refer to €144 million in cuts in the area of health. It appears that this is only the tip of the iceberg. It has emerged that the HSE plans to introduce cuts totalling over €190 million. These will have an impact across the board, including on patient care. Some €38 million was allocated in the budget in respect of cancer care developments, disability care and services for the elderly. However, action in respect of these matters has now been put on hold. That is the legacy of this Government.

It was announced yesterday that there will be a €45 million reduction in the figure for overseas development aid. This represents another attack on the most vulnerable and poorest people on the planet.

Those on the Government side have indicated that the fundamentals of the economy remain strong. The greatest problem relating to the economy is the fact that the Government allowed Irish people to become the most indebted in Europe and allowed Ireland to become the most expensive country in which to live and do business. That is another aspect of the Government's legacy.

The Government must live with the mistakes it made during the 11 years in which it has been in power. The chickens have come home to roost. If those opposite think we are going to bail them out, they have another thing coming.

Senator Pearse Doherty: It is particularly disappointing that yesterday's much-hyped announcements do not deal with the wider problems the economy faces. Instead, the Government has outlined an extremely limited plan which will not go very far in addressing the unprecedented shortfall in the public finances. Little detail was provided with regard to the Government's announcement that it is seeking to achieve €440 million in savings. How will the 3% cut in payroll costs be achieved by the various Departments and what impact will this have on service delivery? I carried out a quick calculation in respect of Donegal County Council and discovered that what is proposed will result in 40 positions either being lost or not being filled

[Senator Pearse Doherty.]

when they become vacant. Will it be our litter wardens, our planners or those who work on our roads who will be affected in this regard?

Assertions on the part of the Government that front-line services will not be affected by cutbacks is simply not credible in the absence of detailed data. Prior to yesterday's announcement, there was growing evidence of cuts in many public services — including those relating to health and education — which are already beginning to hurt the most vulnerable. The Government is trying to spin matters in such a way as to make people believe that these cuts will not affect the health services. The reality is, however, that patient care has been affected by cuts since last September when the HSE imposed a recruitment ban.

Hospital wards and units are being closed and services are being reduced or removed completely. In that context, one need only consider this week's announcement regarding what will happen at Letterkenny General Hospital. For the month of August, the hospital will lose 20 beds and day care services will be shut down. Other cuts are pending and they will be introduced by those who stated that they are trying to "stay within the budget".

It is becoming increasingly clear that further and more drastic cutbacks will form part of December's budget because. It appears that, in dealing with the shortfall in the public finances, the only option under consideration is cutbacks in public spending. The Government is approaching the current economic and fiscal problems in a short-sighted manner. Measures to stamp out waste and inefficiencies are to be welcomed. However, we must ask why it took the Government so long to take action in this regard. Why were the waste and inefficiencies to which I refer not stamped out during the past ten or 11 years? However, Sinn Féin welcomes these measures and those relating to the tribunals and the use of consultants and public relations companies.

Sinn Féin has a clear idea with regard to what is needed. The Government must outline the measures it will introduce in the short term in order to stabilise the economy. In addition, it must put forward a medium-term recovery plan which should include mechanisms designed to help us regain competitiveness and retrain and upskill workers. Such a plan is particularly important in the context of counties such as Donegal, which, even before the current downturn, experienced levels of unemployment far in excess of the State average. In this regard, one need only consider the figures provided by the Central Statistics Office which show that from May of 2007 to May of this year, an additional 2,000 people were signing on for unemployment benefit in County Donegal. The most recent figures for May and June of this year indicate that there was a 10% increase in the numbers signing on in the county. That increase was far in excess of those relating to other counties.

The downturn cannot be used as an excuse for the State to, once again, turn its back on the west. It is absolutely crucial to the future viability of the region that social and infrastructural projects in the west — such as the dual carriageway to the north west and the western rail corridor — be committed to and progressed. Earlier today I attended a briefing in the Department of Transport at which I spoke to representatives of the NRA. I was informed that only certain sections of the Atlantic road corridor are to be completed by 2015. That is not true. It is indicated in Transport 21 that there would be a full and seamless upgrade of the Atlantic road corridor. Again, however, cuts are being introduced in respect of infrastructure in the west.

It is not the case that we will not be in a position to be competitive in the future or to ensure that much needed jobs are created in the region. However, we must invest in the infrastructure projects to which I refer. Pressing ahead with these projects and the schools building and social housing programmes will ensure the creation of much-needed employment as the dramatic downturn in the construction industry continues. The Government must outline clearly the

action it intends to take in order to stem rising unemployment and ensure that new jobs will be created. A package of measures is needed to support the development of indigenous enterprise.

The Government must accept some of the blame for the extent of the problems we face. It ignored warnings regarding over-dependence on the construction sector and the implications this could have on the wider economy and public finances. One of the key lessons for the Government is that it must proactively plan for the future of the economy. Its claim that we are facing the current economic and fiscal challenges from a position of strength is blatantly untrue. Arguments to the effect that the fundamentals of the economy are sound do not stand up to scrutiny.

We must ensure that cutbacks in public services and the delaying or abandoning of many infrastructural do not come to pass because these will only result in the recession being prolonged. The Minister for Finance should come forward with a detailed plan to replace the three and a half page statement with which we were presented yesterday.

Senator John Paul Phelan: I welcome the Minister of State, Deputy Mansergh. I also welcome the opportunity to contribute to the debate on the economy.

I wish to make a number of points in respect of this debate. I did not hear the start of the debate but heard a number of the contributions. It is interesting that so few from the Government side contributed to this debate and to yesterday's debate on housing. That tells a tale in itself about the Government's thinking on this issue or the realisation that it has handled matters badly in recent years.

Everybody on this side of the House will admit that there are external forces at play in the economy. It is an small open economy which is very vulnerable to what goes on in other parts of the world. However, the Government can no longer deny that it has played a significant part in creating this situation.

I agree with the sentiments expressed by Senator Mary White. She has been a defender of small businesses when we have had debates on financial issues. As Senator Alex White pointed out, she saw there was over-dependency on the housing market and on construction in general. Why did the Taoiseach, who was the Minister for Finance for several years, and other Ministers fail to recognise that over-dependency and not to try to address it before it was too late? Very little was done.

Senator Mary White mentioned development charges and their negative impact on small businesses. That tax was introduced by Fianna Fáil and the Progressive Democrats in government. Development contributions existed up to several years ago but they were only a small amount. However, because of the continuous under funding of local government, they have become a very large and significant cost on small businesses and on anyone who wishes to undertake any development. It is ironic being lectured by the Government side on that point.

During my four years as finance spokesperson in this House I have continuously pointed out our reckless dependence on construction but I was virtually laughed out of the Chamber each time by the Taoiseach, when he was Minister for Finance, and by Tom Parlon, who was a Minister of State in the Department of Finance. They are both in very different positions now.

It is also clear that in recent years, the Taoiseach, in his role as Minister for Finance, embarked on a series of reckless inflationary budgets. All eyes were on the political cycle rather than on the economic one and the chickens are coming home to roost. We have seen huge increases in current expenditure based on tax revenue from construction, which could not continue. There was no plan B or realisation that the day might come when we would not build 90,000 units per year. We all knew it was unsustainable into the future but there was no realis-

[Senator John Paul Phelan.]

ation on the part of Government that when construction went down, money would have to be found elsewhere.

Yesterday's launch was a joke. The Minister for Finance and the Taoiseach outlined €440 million in cuts but they gave no details on where those cuts would be made. Even the figures they gave in respect of a 3% reduction in payroll costs in all Departments except the Departments of Education and Science and Health and Children do not make sense. The sums do not add up. We need clear indications from the Minister for Finance rather than hand-wringing and him saying "Poor me. I am the Minister for Finance when the country faces recession". He needs to face up to his responsibilities.

As Senator Mary White said, we are an exporting nation. In recent years we have seen a huge deterioration in our balance of payments and in our competitiveness. We were competitive for many years when the economy was growing. The Taoiseach and the Minister for Finance should insist on a vigorous programme of public sector reform and of improving our competitiveness into the future. That is the key to the development of the economy. It is not the Opposition talking down the economic situation.

We must be realistic and put forward real proposals. That is why I am delighted Deputy Richard Bruton has outlined detailed proposals in the finance area. I hope the Government takes up some of the good ideas he has suggested.

Senator Feargal Quinn: I am reminded of the story of a hot chestnut seller in New York who, for many years, ran his business from a stand. He did it so well that he was able to send his son to college. His son asked him one day if he knew a recession was coming and told him to cut back on the chestnuts on display. The father said thank you to his very intelligent educated son and cut back because a recession was coming. He sold less each week and by the end of the year, his business was gone. His son said he was right all along that a recession was coming. It is a lovely story if one gets it right but the point is that we can talk ourselves into recession.

In the time I have to speak I will not look back but will look to the future. We heard today about some steps that could be taken. I am concerned about those running businesses of any kind who have never had the experience of worrying about where they will get the money to pay the wages at the end of the week. When in business one must watch those costs which one can afford to reduce and those which one must reduce. However, one must go out of one's way to ensure one grows the business. From that point of view, there is a real danger that the negativity I have heard in recent days could undermine the confidence of investors in the future.

When we look to the future, let us ensure we cut costs. A cost which must be cut is pay in the public sector and everywhere else. I am not too sure how we can do that.

Two years ago when I had to speak about the successes of the Celtic tiger I did my homework to see what had succeeded. There were six reasons. We invested in education over 40 years. We had access to the market in Europe and we ensured we concentrated on those sunrise industries. We had a low tax rate to attract people here. We had social partnership which meant there was agreement on where we were going. I am not sure how the Government will convince everybody but we must find a way to convince the nation that we must cut costs because it is in our interests to do so. That was done in 1987. The sixth reason was that the Opposition of the day, led by Alan Dukes, said that if the Government did the right thing, it would support it.

On that basis, I call for a national drive saying that we will look at this in a positive way, that we will succeed, that we will not talk ourselves into a recession and that we will get our sums right, reduce our costs and get the backing of all sides in the community.

Senator Paddy Burke: It is a pity there is not more time for the debate. The only thing this Government has managed to do is to burst the boom. There has been no real management of this economy in recent years because on several occasions in the past ten years, this side of the House has raised some very serious issues but we were laughed at and told we were trying to talk down the economy.

This Government never got the end of year figures right and was always €1 billion short or €1 billion or €2 billion over. The former Minister for Finance, Charlie McCreevy, raided the Central Bank of Ireland and sold the TSB and Eircom. All of that money is gone. The gap between rich and poor is the widest ever. There are many rich people and many poor people. Our manufacturing and cottage industries are gone. The pressure on small businesses is unprecedented because of stealth taxes and massive burdens from local authorities.

Senator Frances Fitzgerald: We could have done with more time for this debate on the economy. To take up Senator Feargal Quinn's point, confidence is important but it comes from clear leadership and from facing up to the problems. Yesterday, there was no breakdown of where the €440 million in savings in 2008 would come or breakdown of where the €1 billion in savings in 2009 would come. There was no detail on what cutbacks will be enforced in health and education, no guarantee that frontline services will be protected and no answer to how much money might be saved by a review of agencies and quangos. Fine Gael targeted €50 million in the plan it put forward last week. No responsibility has been assigned to individual Ministers to ensure savings will be achieved.

I could elaborate on the deficiencies in the plan announced yesterday, but in the short time available I want to point out that one third of the proposed cutbacks for 2008 will be in the health area. These cutbacks consist of an €85 million cut from the supports for elderly people trying to meet the cost of nursing home care, €38 million from the slower roll-out of health projects and, most worrying, €21 million from what is described dubiously and worryingly as other savings. I wonder whether the Minister of State can tell us what are those other savings and how they will impact on frontline services. These are the concerns of the people whose houses are being repossessed and who are trying to gain access to proper health and education services.

Acting Chairman (Senator Maurice Cummins): I call on the Minister of State to respond. I ask him to conclude briefly and if there is time, we will allow a round of questions. We must finish by 5 p.m.

Minister of State at the Department of Finance (Deputy Martin Mansergh): I thank Senators for their contributions to the debate. Economically and socially, we have just had the best 21 years in our history. The credit for this goes to the people, to social partnership and the contributions of the different governments in that period. As the previous Minister for Finance, the current Taoiseach deserves credit for prolonging our economic growth for a further four years.

Naturally, we did not and could not succeed in entirely suspending the laws of economic gravity nor in suspending the economic cycle. Neither are we in any sense the only country in that position. In the past days the headlines in the British papers pointed out "Brown's £7.5 billion black hole" and "Britain at serious risk of recession as orders fall sharply". However, we still have positive, though reduced, growth prospects this year. The figures just published show that in the first quarter we had a 0.8% increase in GNP. The current revised growth forecast is 0.5% for this year and a growth figure of approximately 2% is projected for 2009. There is no question of us being in recession.

From a Government viewpoint, we are in the strongest financial position that we have been in for 40 or 50 years, with net Government debt at 12% of GDP. In the course of this debate,

[Deputy Martin Mansergh.]

one Senator said Ireland was the most indebted country in Europe. I do not know where he got that idea. Some 20 years or so ago, in 1986, the level of debt was 122% of GDP. Therefore, there has been an enormous improvement.

Savings are, undoubtedly, necessary. The measures being taken now are interim measures. There is no point in asking now the exact details of the Estimates for next year as those details must be worked out over the next six months. Senators also raised the matter of the enterprise sector of the economy. People must be reminded that companies here enjoy one of the most favourable taxation rates in Europe, at 12.5%, and face some of the lowest charges in terms of PRSI compared to other European countries. Many conditions here are, therefore, favourable.

There has been significant exaggeration of the facts with regard to claiming our booming economy was dependent solely on construction. The latest ESRI quarterly report, for example, pointed out that we had a robust export performance, up 8.2% in 2007 and that overall export performance, including services, was in double figures, which was better than in 2006.

Acting Chairman: I ask the Minister of State to conclude as soon as he can, as we hope to get in a round of questions before 5 p.m.

Deputy Martin Mansergh: I would be happy to continue for another five minutes, if that is all right.

Comments were made about waste of resources. The Luas is one of the best public transport systems in existence. I agree there was an overrun on the spending on it, but it is a great system and costs nothing in terms of subsidies.

Inflation was also mentioned. The ECB has, rightly, put an emphasis on preventing second round inflation. I read an interesting article in *Le Monde* which said that second round inflation was when inflation goes above the 4% to 5% level. At a Europe-wide level, we are fairly close to that. The European-wide inflation rate is approximately 4%.

I agree there has been a large increase in the number of housing reposessions, but this increase comes from a low base. On the question of negative equity, as against that, the fall in house prices has made houses more affordable for those who want to enter the housing market. Reference was made to local council employment. The significant burden placed on planning departments up to a year ago has been considerably lightened.

There is something many people do not understand about decentralisation. The cost so far has been approximately €100 million, but that has enabled disposal of sites resulting in a contribution to the Exchequer of approximately €500 million. Not without reason, Senator MacSharry's father introduced decentralisation in the late 1980s as a saving. It is a saving today, but this is something that needs to be better understood.

Confidence is very important. I deeply regret the result of the Lisbon treaty referendum, because the result did nothing to help confidence. I am in the position of heading up the office which has probably contributed the most savings, over 10% of budget this year, mainly as a result of decentralisation but also as a result of some flood relief that is not yet ready to come on stream.

Issues were raised with regard to FÁS. The organisation provides much valuable social and community employment throughout the country. Many voluntary organisations would be in grave difficulty if FÁS did not exist. Therefore, I could not agree with the suggestion by Senator Ross that it should be abolished.

There is a sound philosophical basis for local authority levies within reason, namely, that developments impose costs outside their own. When I established a constituency office in Tipperary town, I had to pay a substantial development levy.

Overseas development assistance is measured by the UN as a percentage of GNP. Our contribution will be maintained at 0.54% in 2008. We are well ahead of most other countries in that respect.

Acting Chairman: As it is now 5 p.m., we cannot take any questions. We must move to the next item on the agenda.

Private Members' Business.

Energy Policy: Motion.

Senator Marc MacSharry: I move:

That Seanad Éireann congratulates the Government on its policies aimed at decreasing this country's dependence on imported fossil fuel by increasing use of renewable energy technologies.

The International Energy Agency has for many years identified Ireland as being one of the most energy insecure countries in the world. Most of us are already aware that Ireland has long been at the mercy of international oil markets. Such a situation was tolerable, if not ideal, when oil traded at less than \$60 per barrel. However, in the current climate of
5 o'clock oil changing hands for in excess of \$140 per barrel and given the predictions by industry experts that the era of \$200 barrels may be around the corner, such a situation is unsustainable even before we consider the environmental argument for reducing oil consumption. This revolution in oil prices will change markets and economies and create new opportunities for development. In a world in which oil is traded at these prices, decisions will be made on the allocation of an increasingly scarce resource. As an island economy, Ireland will be particularly sensitive to these choices.

In this context, I welcome the Government's efforts to reduce our dependency on foreign oil and gas. Our support for the development of indigenous renewable energy makes sense for the environment as well as the economy. Major strides have been made in this area over the past 12 months. I welcome the initiative by the Minister for Communications, Energy and Natural Resources, Deputy Ryan, on pricing support mechanisms for alternative energy sources such as offshore wind, biomass, wave and tidal energy. I also welcome the initiative by the Tánaiste and Minister for Enterprise, Trade and Employment on designating renewable energy as a key development area for Science Foundation Ireland.

Yesterday, the Minister, Deputy Ryan, announced a study on electricity grid connection which would be undertaken in conjunction with his colleague in Scotland, stating:

With our shared location, Ireland and Scotland have a constant and plentiful wind supply. We must use this to our advantage, which interconnection allows us to do.

The authorities in Scotland are exploring the possibility of a connection with Norway. We, in turn, could link to this through an interconnection with our neighbour.

These initiatives are already beginning to bear fruit. This year will see the milestone of 1,000 MW of onshore wind power, which few would have believed possible just a few years ago. Our offshore wind developers are poised to make a substantial contribution. The National Offshore

[Senator Marc MacSharry.]

Wind Association of Ireland has commissioned a cost-benefit analysis of the impact on the Irish economy of offshore wind. If the findings of this study are positive, they will unlock an investment of more than €5 billion and a deployment over the next five years of more than 2,000 MW of offshore wind.

The changing market means that where once we were energy poor, we now have the potential to be energy rich. We have the best wind resources in Europe and some of the best in the world. In what is rapidly becoming a new world energy order, Ireland could be a net exporter of energy under the right conditions. We can build a strong sector of green collar workers who will design and deploy the technology to generate electricity for Europe as well as for Ireland. The Commissioner for Energy, Andris Piebalgs, has indicated that he wants Ireland to take up this challenge. We must play a leading role in meeting the renewable energy needs of the European Union.

The potential for renewable energy in boosting our economy is substantial not only in terms of reducing our imports of foreign oil, but for job creation, carbon abatement and export opportunities. An economic analysis carried out on the impact of Germany's renewable energy sources Act has shown a €3.5 billion net gain to that economy from deployment of wind energy on and offshore. A cost benefit analysis in the UK has indicated the potential for creating up to 76,000 jobs through the deployment of offshore wind in the north east of that country. I am sure that the Irish offshore wind analysis will show similar benefits to this economy, particularly given our strong wind resources. I ask Members to consider the potential for creating a network of wind, marine and tidal generators off the Irish coast and the jobs in manufacturing, design, deployment and training these could support.

Achieving our potential will require a partnership between industry, regulatory bodies and the Government. The Government has made its intentions clear in this regard. We have begun the process of bringing certainty to industry through guaranteed pricing structures. We have also started to address the key infrastructure issues in regard to achieving our goals. Creation of the single electricity market was an important first step. We will soon have an east-west interconnector that will allow generated energy to flow between Ireland and the UK. We will see further interconnectors with Scotland and England and ultimately the creation of a pan-European grid. The Government is supporting the first steps towards achieving this target through our work with the Scottish Assembly and the Norwegian Government. The more interconnected we are with a European grid, the better our opportunities to become a genuine energy provider and a price maker rather than a price taker.

I commend the Minister, Deputy Ryan, the Minister of State at the Department of Communications, Energy and Natural Resources, Deputy Seán Power, and their officials on the work they have done to date. We are creating a business environment that will support the deployment of renewable energy. Policies implemented by this Government have supported the first deployment of wave and tidal energy in Irish waters, brought progress towards mass offshore wind power and helped the emergence of offshore wind as a mainstream power source. We are only at the beginning of our energy revolution but with the policies our Government is pursuing, Ireland can be the green energy centre for Europe. I commend the motion to the House.

Senator Brian Ó Domhnaill: I second the motion. Given the ever increasing cost of energy, this is one of the most important issues faced by Ireland and the world. Anyone who drives to a service station to fill the tank of a car, jeep or bus cannot but notice the difference in price compared to six months ago.

Energy is all around us and is needed for the growth or formation of almost everything. There are many sources of energy in our world but for too long we have relied on fossil fuels. We must move away from these finite energy sources to renewable supplies. The Government must be commended in this regard. The 2006 energy White Paper sets out targets for electricity generated from alternative and renewable energy sources in Ireland of 15% of electricity consumed in 2010 and 33% in 2020. The dominant means for providing the required new capacity will be on and offshore wind. The Government's objective is to provide additional capacity by biomass, small hydroelectricity projects and ocean energy as it works to realise the full potential of our renewable resources.

It has been documented in several studies that Ireland has some of the best environments in Europe, if not the world, for wind energy. A number of small companies are being established in the west of Ireland with a view to capturing hydro-energy. The small streams that run through grassland, highland and low-lands can be captivated and turned into energy. I acknowledge the Government's commitment to this new initiative.

Much work has been done in regard to renewable electricity which has grown rapidly since 2004. For example, in 1997, 3.6% of our energy came from renewables. This was the benchmark year for the European Union in terms of readings and recordings. This grew in 2004 to 5.2%, in 2005 to 6.8% and in 2006 to 8.6%, which is sizeable growth. It is estimated that 9.5% of our energy in 2007 came from renewables. In this regard, almost 10% of our energy comes from renewable sources.

The all-island grid study, referred to by Senator MacSharry and published in January this year, concluded that it is technically feasible that by 2020, 42% of electricity generated on the island of Ireland will be from renewable energy sources. The study shows that we have the potential to do more than reach the target of 33%. That target was always going to set the base rather than the limit of our ambitions and the Government is committed to delivering by 2020 the highest possible percentage of renewables. This will require major investment in our electricity transmission network and significant investment from the renewables sector itself.

There are other complex technical and policy challenges inherent in achieving this ambitious level of integration of renewable energy into the grid. The Grid Development Strategy 2025, which is being finalised by EirGrid, will be critical to the success of this project.

The greener homes scheme launched by Government in March 2006 provides support to homeowners wishing to invest in a range of domestic renewable energy heating technologies, including solar panels, biomass boilers and stoves and heat pumps. The scheme has proved very popular with 22,000 grant offers in place across the three technologies. Already 13,750 of these offers have been paid following the successful installation of the systems resulting in an investment of €42 million to date. These completed systems have resulted in an annual reduction of 33,000 tonnes of CO₂ emissions.

The scheme has helped establish a very strong supply industry for the products, services and fuels while the application of strict product standards and installer training and quality schemes has ensured consumers are both informed and confident in their choices. The scheme is constantly under review. Earlier this week the Minister for Communications, Energy and Natural Resources announced Phase III of the scheme. This was timed to coincide with the recent coming into force of the revised Building Regulations 2008 which for the first time provide a compulsory requirement for some component of renewable energy in all new homes.

Under the new phase, log gasification boilers will be eligible for support when the scheme re-opens for applications on 22 July 2008. Gasification boilers for the domestic sector will be supported at a fixed rate of €2,000. Sustainable Energy Ireland runs a renewable heat deployment programme called "Reheat" which provides capital support for organisations wishing to

[Senator Brian Ó Domhnaill.]

install renewable heating technologies in their premises or to conduct analyses as to the suitability of the technology. To date, grant commitments are more than €6.5 million in respect of more than 329 approved applications. Of these projects, 154 are for biomass boilers, 96 are for solar thermal installations and 39 are for heat pumps.

Sustainable Energy Ireland also runs a combined heat and power deployment programme which has been recently expanded to take account of bio-mass combined heating power and anaerobic digestion combined heat and power. A total of 77 applications have been received of which 53 are for capital investment. More than €205 million has been committed in respect of 55 applications already approved.

On renewable transport, the Government is committed to achieving a target of 5.75% market penetration of bio-fuels by 2010 in accordance with the current EU bio-fuels directive. The Government has also committed to achieving by 2010 a 10% market penetration by renewable energy in the transport sector. This outlines some of the work being done by the Government.

I commend the motion to the House. Also, I commend the work being done by the Minister and his colleagues in the Department of Communications, Energy and Natural Resources. We must work together to face the challenge of turning around our dependence on non-renewable sources. Renewable energy sources are all around us and must be harnessed. I welcome the initiatives being taken by Government which are welcomed by households throughout the country.

Senator Joe O'Reilly: I move amendment No. 1:

To delete all words after Seanad Éireann" and substitute the following:

"condemns the Government for little progress in the area of climate change policy and notes with concern the sharp rise in greenhouse gas emissions in the transport sector which itself is almost entirely dependent on imported fossil fuels."

The most charitable explanation I can come up with for the Fianna Fáil motion is that somebody on the other side of the House from either the Green Party or Fianna Fáil got a rush of blood to the head, lost the run of themselves and wrote the motion without much reflection or thought. I believe Senator Jim Walsh, who is my opposite number, bears responsibility for this slightly bizarre motion which congratulates the Government on a set of aspirations. However, there is no record of achievement to match these aspirations. It is analogous to congratulating the Government on the state of the economy or to congratulating me on what I wish to achieve next year but have not yet done so.

I will proceed by outlining the inadequacy of the Government's performance to date, the potential that exists to perform and what should be done. I take the charitable view that as this is the holiday season somebody in Fianna Fáil was in a dreamy mood when writing the motion. That is the only explanation I can come up with.

Senator Brian Ó Domhnaill: That is very good of Senator O'Reilly.

Senator Joe O'Reilly: Under the Kyoto Protocol, Ireland has committed to limiting its increase of greenhouse gases to 13% above 1990 levels, a limit that must be reached during the period 2008-12. Current levels of carbon emissions are more than 25% above 1990 levels. It does not give me pleasure to bring these facts before the House. However, the motion exposes the Fianna Fáil Party, the Green Party and Progressive Democrats to this criticism. I believe the person who wrote this motion should be censured.

The EU Commission has set Ireland a target of a 20% reduction on 2005 levels, namely, the rate of emissions must be reduced by 20% by 2020. We are way behind in achieving this target. On the fuel mix for electricity generation, in 2006 only 4.5% of our energy came from renewable sources while 92.5% came from fossil fuels. The Government stands most condemned in regard to the road transport sector. Some 97% of energy in the road transport sector comes from fossil fuels which result in high CO₂ emissions. A problem arises in the context of the Government not having embraced the concept of putting in place a national railway system. Nor has it developed an education programme to persuade people to share cars and use public transport or provided a public transport system that people can use. However, the biggest condemnation of the Government — Senator Ó Domhnaill, as a native of Donegal, will understand this — is the deficiencies in the railway network throughout the country. A radical plan of action is required to develop a national railway structure to deal with the transport sector's contribution to CO₂ emissions. People are still buying gas-guzzlers. There has been no education in this respect either.

The new CO₂-based motor tax regime does very little to address greenhouse gas emissions. In fact, it will take only 50,000 tonnes of CO₂ out of the atmosphere every year. In 2005 and 2006 a total of 682,000 tonnes of CO₂ were emitted nationally, so we have 14 times the level of carbon emissions that would be removed by the new green taxes on cars. The scheme, while good in theory, is weak in practice and will achieve very little. It is a welcome drop in the ocean, but it is only a drop in the ocean and is not a basis for congratulatory motions.

Many of the Government's actions have failed to meet the deadlines set as part of the national climate change strategy targets, including the following: the drafting of a sustainable transport action plan by the Department of Transport, which was supposed to be achieved in 2007; the use of CFL long-life bulbs by all public bodies; a move to 5% bio-fuel use in all national parks and wildlife service vehicles; the publication of guidelines on sustainable residential development; the launch of a multi-annual awareness campaign on climate change; and the launch of an action plan for green public procurement. None of these was achieved in 2007, which is hardly an example of proactive government.

A fortnight ago the Cabinet approved the use of €400,000 to buy carbon credits to offset official Government travel. I understand the Green Party members of the Government forced this. The taxpayer is now paying for the carbon credits as well as the travel. I know from our interaction on the Broadcasting Bill that the Minister of State does listen and I ask him to consider this fact. At the moment, €15 million is being spent on a climate change awareness media programme, which is completely out of proportion to the €5 million being spent on insulation. This is far too much money and I suggest that some be moved to the insulation programme.

It is planned, according to the White Paper on energy, that 33% of our electricity consumption will come from renewables by 2020. As Senator Ó Domhnaill said, the contribution of renewables in 2006 was 8.6%, so we are significantly below the target. There is major potential in wind energy, but the difficulty with wind energy is access to the grid. Offshore energy is very much at an exploratory stage. Yesterday I visited the research section of the engineering department at UCD with the Joint Committee on Communications, Energy and Natural Resources. Many alternatives to land-based wind energy are only at an exploratory research stage. Wind energy has not yet been properly exploited and the big issue is access to the grid. I ask that something be done about this.

I commend the amendment to the House. I ask Senator Ó Domhnaill and his colleagues, on reflection, to accept the amendment and admit that the motion was put down as an unfortunate rush of blood to the head, without taking cognisance of the facts.

Senator Brian Ó Domhnaill: The Senator can ask but we may not do it.

Senator Paudie Coffey: I second the amendment.

This debate on the issue of renewable energy is welcome because there are clear challenges that lie before us as a country and as individuals if we are to reach our targets as a member state of the EU. It is widely known that all member states have signed up to a target of a 20% reduction in carbon emissions by 2020 and have also pledged to increase their use of renewable energy resources. This is in itself a reasonable target, but to achieve that on the ground will take serious effort across many State agencies and bodies and also by the Government.

Ireland is an island nation and we are in a vulnerable position geographically with regard to energy resources. We are very dependent on oil, gas and other fossil fuels, and our indigenous resources are quite limited. It is important that we develop a clear strategy of enhancing our use of renewable energy resources, creating indigenous opportunities across a wide range of technologies. This will need to happen at many different levels. Starting from the ground up, which is a good idea, some improvements have been made in this field. Grants are available from Sustainable Energy Ireland for individual households to install renewable energy-based systems. I acknowledge the role of SEI in creating an awareness of energy efficiency and renewable technologies among the general public. These technologies play an important role and I would like to see full support for them. I compliment SEI in this regard, although it needs more resources if it is to deliver what it set out to achieve.

I have geothermal heating in my own house and I was one of the pioneers of the technology in my own area. I installed it before there were any grants for it. I missed the grant by a year and I was a bit disappointed. As I said at the time, the pioneers often suffer as they are the people who take the risk and install the technologies but do not receive any grant aid. There were quite a few around at that time. Now the grant is there and people are luckily benefiting from it.

Geothermal technology should be promoted at every opportunity, especially in rural areas. The installation of small wind turbines for individual houses has also been facilitated, which is welcome. The planning restrictions in this regard have been removed. There are not many around at the moment but over time we may start to see more of them. I was in Northern Ireland recently and I saw quite a few at the back of houses. In addition, we see more and more solar panels in housing estates, which I welcome. These advances are at the level of individual households. Supports are continuously needed at that level.

I mentioned the role of Sustainable Energy Ireland, but we must also consider local authorities. This area is relatively new to many local authorities and they need to engage more with the promotion of renewable technologies in new developments. There are some pilot schemes up and running around the country and they have been successful, but this now needs to be rolled out into housing developments in all local authority areas. There is now a planning condition that some element of renewable energy use be included in all new developments, including geothermal or solar energy.

We must not forget the potential of hydroelectric power. I come from a small town in County Waterford, Portlaw, where there were once two water wheels at the old cotton mill site on the River Clodiagh with a generation capacity of more than 500 kW. Unfortunately, they have long since gone. I was involved in the campaign to retain the old mill, but it was bypassed by the fisheries board to allow salmon up the river. Thus, rather than maintaining a real renewable resource on our doorstep, we took the easy option and dug a big channel around it. A total of 500 kW of capacity was dug away.

The dispute went to An Bord Pleanála and the locals lost the campaign. We threw away some great renewable resources on our own doorstep, which is something I hate to see. However, it is never too late. We can always revisit these projects and reinstall hydroelectric power on smaller rivers and streams. There is no reason that cannot be done. I call on the Government to consider this as an opportunity for local authorities and communities to harness the power in local streams and rivers. I ask also that clear strategies and plans be developed by local authorities with regard to renewable energies so that they can work at the coalface in promoting the various schemes of which communities could take advantage.

We could talk about this all day but real challenges lie ahead. Ireland must produce 16% of its energy from renewable sources by 2020 and this will present challenges to industry, the transport sector and the electricity market. There are roles for the various agencies involved in this. There are planning and grid access difficulties attached to onshore renewable wind energy sources and a strategy should be adopted by all local authorities to facilitate connection where possible. There should also be consultation with the ESB and EirGrid to facilitate ease of connection for renewable resources. Offshore wind farms face difficulties including foreshore licences, connection to the grid — they must get on the foreshore first and then get proper access to the grid. There are clear challenges here.

I am aware that huge research has gone into wave and tidal power. I was lucky enough to visit the Marine Institute in Galway in recent months and saw, first-hand, two research projects on wave power. One is Wavebob and I forget the name of the other but each prototype can generate 20 KW of power. They are relatively small, about the size of a small boat, and the plan is that over time they could increase output. There will be other challenges then, such as connecting their generation capacity to the main grid.

There are clear challenges for all of us and the Government is talking a great deal about renewable energy at the moment. It is good that this is in its mind set but we are not reaching the targets at the rate we should and there are ways we could engage more with individuals, local authorities and research agencies to drive the renewable resources that are on our doorstep. All debates on this matter in the House are welcome and I feel we must work to promote renewable energy technology and indigenous resources as much as possible. I did not get to talk about bio-fuels, unfortunately. I mention this area because there are opportunities and challenges there. As we know with food security and food production, if we put all our eggs in one basket regarding bio-fuels we could fail. Bio-fuels need further research before we go down that road.

Senator Dan Boyle: Mirror image politics are evident in tonight's motion and the Opposition's amendment to it. For a Government to congratulate itself and for an Opposition to immediately condemn it does not help debate in general, whatever of the particular item for discussion. I will come to the issue of whether the Government has a right to congratulate itself but I must admit that the first two Opposition contributions were nowhere near as churlish as I had expected, given the tone of the amendment. The Opposition has recognised the scale of the problem, the existence of best practice and the need to adopt a better approach, though the amendment could have been better worded. As to whether the Government has a right to congratulate itself, it is slightly churlish not to recognise that there has been a substantial policy change and that developments are occurring on a regular basis. We must put these changes into place. Having put the initial policy positions in place, we have set in motion a framework that, if adopted, will see further initiatives followed and the potential that exists being realised in a few years.

We may be over-consumed by the question of renewable energy because there must first be a proper understanding. I heard the other contributors speak of public education and awareness

[Senator Dan Boyle.]

programmes on the use of energy. On foot of the discussion on the economy that we have already had today, it is worth noting that Ireland is a very wasteful nation. We produce more energy than we need and while we may ask questions on how we source this energy there are harder questions we should ask and have answered on why energy is being produced to be used in wasteful ways. We all have a contribution to make to that debate in terms of electricity generation, distribution and use and the use of energy in transport and industry. Only part of the answer lies in awareness programmes and the onus is on the Government to create appropriate incentives. There has been an attempt to start this process through the greener homes schemes, the insulation scheme, which is still in pilot phase but will be rolled out to the rest of the country, and through other initiatives like the element in this year's Finance Act that encourages industries to seek tax relief on energy saving equipment. We need to put this new type of thinking in place to encourage new behaviour throughout the country.

The substance of this motion relates to renewable energy and it will probably be repeated regularly this evening that Ireland is one of the most energy dependent countries in the world. Some 90% of our energy needs are met by imported fossil fuels and at this stage in the world's history the very existence of those fuels has a determined and finite time frame. It is not a matter of using fossil fuels better; we must find and use different sources of energy.

Ireland has huge potential and if a legitimate political criticism can be made it is that we are facing up to this problem far too late and we need to catch up quickly. Ireland has a huge capacity to achieve the generation of electricity through wind but it meets only 5% of its energy needs through this source. Denmark, a country of a similar population and a smaller land mass, meets 25% of its needs this way. Because we were so late to join the field opportunities in research and development and the building and selling of technology are an economic cost we have paid. However, they can be an opportunity in future if we start getting our act together now and I believe policies are in place to make the most of this.

The resource that is the sea provides even greater potential in terms of renewable energy through tidal power and wave power. These are developing technologies. If Ireland masters them we can sell them to a wider world, as countries like Germany and Denmark did with wind technology and the equipment that accompanies it, such as wind turbines, in a way we did not in the past.

Things will not happen overnight but we should acknowledge the work being done in Strangford Lough by the ESB between the two jurisdictions of the Republic and Northern Ireland. Work is also being done by individual companies on the west coast of Ireland, particularly on wave energy. The technology of wave energy can operate on different levels. Portugal received a great deal of European Union assistance that Ireland missed out on and built on cliff faces large concrete edifices that are not particularly environmentally sensitive. Irish technology is concentrated on buoys that measure waves either as they hit them or as they move up and down with tidal power. This creates energy. A Cork-based company is testing in Galway Bay and has moved up from a quarter-sized to a full-sized model. The success of the full-sized model could lead to a buoy farm in the middle of the ocean and this, if successful, could meet at least half of our energy needs, as outlined in the current national energy plan. These are the types of opportunities Government energy policy is creating through incentives.

We need to tackle these problems on two levels. One relates to big-picture items such as the successful negotiation by the Minister for Communications, Energy and Natural Resources, Deputy Eamon Ryan, of the ESB's 20 year plan. This will see €22 billion invested in our electricity system and €11 billion invested in renewable energies and it is one of the successes of the new Government policies. It goes a long way towards validating the motion put down this evening.

It is more important to accept individual responsibility for the use and generation of electricity. The measures put in place, including incentive schemes and changes to the planning regulations will allow one to use solar panels, stand-alone wind turbines and geothermal technology readily without having to go through a fully-fledged planning process. This represents a Government initiative and a positive policy change. It justifies what is stated in the amendment.

If one wanted to make a legitimate political criticism, one would say it is not that there is nothing being done but that what is being done is not being done well enough. The problem remains that there are too few initiatives. To achieve what we need to achieve, we need to continue going down the road we are on and to expand the sector very quickly and broadly. I hope the debates on this issue will be in this context. Future energy requirements are such that whoever is in Government will not be able to govern effectively or meet the needs of citizens unless we secure energy independence, which is lacking at present and which we must work so hard to achieve.

Senator Feargal Quinn: I welcome the Minister of State and the debate. The points every Member has to make are of interest. Having examined the motion and the amendment, and having listened to Senator O'Reilly with great care, I can support both sides. It is so easy to congratulate the Government on its policy aims but the motion does not state the Government has done anything. I find it easy to support the amendment, which correctly condemns the Government for "little progress in the area of climate change policy and notes with concern [as we all do] the sharp rise in green house gas emissions in the transport sector." On that basis, I support both the motion and the amendment. This should please both sides.

Senator Brian Ó Domhnaill: Which side will the Senator vote for?

Senator Feargal Quinn: There is an old saying that if one builds a better mouse-trap, the world will beat a path to one's door. This is very much evident today because it is clear that we face a challenge and a problem. It is not easy to solve it because, when we seek to invent the better mouse-trap, namely, that of renewable energy, we are not finding it very easy.

I was on a television programme some years ago and was asked whether I had advice to give somebody starting in business, as I had done 45 or 50 years before. I said I believed there was a future in renewable energy and that there must be a way to develop it. I was impressed no end by the number of people who contacted me from around the country with their plans, be they in respect of wave energy, tidal energy or hydroelectric energy. It is interesting to note the mini-hydroelectric efforts in this regard in County Donegal. Regardless of whether solar or wind energy is in question, various and genuine efforts are being made to solve the problems that arise. At some point, we must encourage those involved. Perhaps we will get it right and somebody will come up with the answer.

I am certain bio-fuels will not be the answer. I had the opportunity to visit Brazil some years ago and could not get over the fact that every petrol station had a 50:50 bio-fuel mix. Vehicles run on alcohol in that country but, as we heard today, it is clear this will not be the answer. Regardless of maize production in Brazil, the shift from food crops to bio-fuel crops in North America is partly responsible for the problems associated with global food security. The problem must be solved through the market economy. Prices will increase and, as they do so, we will use less power, irrespective of its source. The market economy will help in this regard.

The harm bio-fuels are doing to the environment and food prices is clear. Although we are talking about renewable energy sources, we must note that first-generation bio-fuels primarily derived from food crops such as corn, maize and sugar beet have been blamed for driving up food prices as crops have been diverted from food production into fuel production, thus causing

[Senator Feargal Quinn.]

acute shortages of food in some developing countries. This is clearly causing considerable difficulties in the locations concerned.

There is concern in the European Union that there is not enough available land to grow plants for the 10% bio-fuel target, while importing oil from outside the union would have a direct impact on food prices in the developing world. The European Environment Agency said that using the oil for transport was not as effective as running vehicles on more environmentally friendly systems, such as electricity, as we have heard today.

The environmental benefits of first-generation bio-fuels have also been questioned. Environmentalists say almost as much energy is spent producing fuel from the crops as the energy they yield. In addition, bio-fuel supply, in the medium term, is dependent on the vagaries of rainfall and sunshine. We know in Ireland how difficult these are to predict. The harmful effects of first-generation bio-fuels on the environment and on world poverty are clearly a challenge and will have to be examined much more carefully. There is a delay in the production of information on these issues and we must develop a fuller understanding of the impact of bio-fuels on food prices and the developing world.

The European Commission's proposal that sustainability monitoring be applied to any bio-fuels bought or sold in the European Union must be supported. It is no secret that the first generation of bio-fuels is having an effect on the environment and food prices that is more negative than positive, yet the Minister, Deputy Ryan, has not moved on from the policy that existed when he entered Government more than a year ago. There is a requirement to act in this area.

Two weeks ago I attended a meeting on sustainability and growth in Munich. It addressed the question of whether renewable energies are less efficient economically than fossil fuels. International evidence to date strongly supports the view that switching from subsidising fossil fuels to subsidising renewable sources of energy may be economically less efficient than maintaining the *status quo*, in other words, allowing the market to increase prices.

Renewable energy sources remain at least three times more dependent on subsidies than fossil fuels and, in absolute terms, global subsidies to fossil fuels exceed the public funding available for renewable energy sources. However, fossil fuels account for some 81% of global energy production, that is 18 times more than that from renewable sources, yet fossil fuels account for just six times more in terms of global subsidies than do renewable sources. Thus, per unit of energy supplied, fossil fuel subsidies, even at the highest estimate point, are three times less dependent on subsidies than renewable energy sources.

Renewable energy production requires equipment and techniques that generate pollution. One speaker at the conference in Munich was the boss of Toyota. All the car manufactures in Germany were asked to make a presentation on what they were doing but the only car company that accepted it was Toyota. Perhaps the best example of the problem to which I refer is the Toyota Prius, the hybrid car that delivers significant cuts in carbon dioxide emissions in everyday use. Studies have found that manufacturing a Toyota Prius requires such extensive use of pollution-intensive technologies that each owner would have to drive his or her car in excess of 170,000 miles, or nearly 300,000 km, before realising actual emissions savings by comparison with an average mid-class saloon. This poses a real challenge and addressing it is not very easy although it might seem so. We did not know this before Toyota told us the wonderful job it is doing. It is doing a wonderful job, but at a high cost. We must lower the cost but it is highly unlikely that we will be able to do so in the shorter term.

Storage technologies for renewable energy are so costly that even the most viable ones, such as water storage technology, consume more than 90% of the energy they are supposed to store.

These costs do not take into account the highly polluting and environmentally disruptive nature of the storage technologies. In a time of economic uncertainty, as in Ireland at present, the costly and uncertain nature of renewable energies must be debated.

It was very interesting to hear other Senators because they covered a range of issues of which I was not aware. However, the development of renewable energy sources presents a challenge. While there is a definite feel-good factor associated with renewable energy sources, is it enough to justify the changes?

At the G8 summit yesterday, the G8 leaders congratulated themselves on having taken a significant step forward on climate change. However, they ran into trouble immediately. The emerging nations of China, India, Brazil, Mexico and South Africa demanded a much more concerted effort from the developed world. They want those eight nations represented at G8 summits to commit themselves to reducing greenhouse gas emissions by 80% to 90% below the 1999 level by 2050. However, the other nations also claim this is insufficient and in addition, want them to set targets for the halfway point of 2020. Therefore, while George W. Bush and others were congratulating themselves, they have realised that while they have made some progress, it is not nearly enough and will not be accepted.

This is the challenge we are setting for ourselves and we will not find it easy. I believe this problem will be solved by the marketplace because we will be obliged to use much less energy than in the past.

Minister of State at the Department of Communications, Energy and Natural Resources (Deputy Seán Power): I am delighted to have the opportunity to update the House on the significant progress achieved in harnessing our renewable energy resources and the challenging targets set by the Government to increase the contribution of indigenous renewable energy resources to our energy mix in the future. It is appropriate to discuss this matter in the House as the same issues are being debated in many other forums, both nationally and internationally.

There are a number of aspects to the energy challenge facing us. The first is climate change and our share of global carbon reduction targets. The second concerns the security of our energy supply and in particular our dependence on imported oil and gas from politically sensitive regions of the world. The third pertains to the dwindling supplies of cheap and easily accessible oil and gas, coupled with rising demand from developing economies. The fourth aspect concerns volatile and rising energy costs and their impact on the competitiveness of the economy and the day-to-day living costs of the citizens.

Our response to these challenges is necessarily complex and varied and while there are no easy solutions, I believe there is wide consensus that the fundamentals of the solution revolve around reducing our demand for energy through dramatically increasing our overall energy efficiency and diversifying our sources of energy by rapidly increasing our renewable energy sector.

Senator Feargal Quinn: I apologise for interrupting but will a copy of the Minister for State's speech be circulated to Members?

Acting Chairman (Senator Diarmuid Wilson): I will have that matter checked.

Deputy Seán Power: The challenging targets the Government has set are to increase the contribution of renewable energy to the markets for electricity, heat and transport to 33%, 12% and 10%, respectively, by 2020. In the case of renewable electricity, the quantified targets are 15% of electricity from renewable sources by 2010 and 33% by 2020. It is estimated that the 15% target requires an installed capacity of 1,650 MW. Capacity of approximately 1,200 MW already has been constructed. Moreover, a further 150 projects, with a combined

[Deputy Seán Power.]

additional installed capacity of approximately 1,500 MW, already have been accepted into REFIT, Ireland's feed-in tariff system. Because all the aforementioned projects have planning permission and a grid connection offer, one can be confident the 2010 target will be met and exceeded.

In January this year, together with my counterpart in Northern Ireland, I published the all-island grid study. This is one of the most advanced and comprehensive studies of its kind in the world. The study examines a range of generation portfolios for Ireland and ultimately shows the ability of our power system to handle approximately 42% of electricity from renewable sources on an all-island basis. It also examines the investment levels required both in respect of new generation capacity and the necessary supporting infrastructure and outlines the climate change and security of supply benefits that would accrue.

Ireland is firmly committed to EU targets on renewable energy in transport. The key question is how to define and implement a sustainability regime to maximise the benefit of bio-fuels without causing environmental damage or social problems, while simultaneously developing other technologies, such as fuel cells, biogas and electric vehicles.

The Government has made a commitment to achieve a target of 5.75% market penetration of bio-fuels by 2010 in accordance with the existing EU bio-fuels directive. It is also committed to achieving 10% market penetration by renewable energy in the transport sector in Ireland by 2020. This is the target proposed by the EU Commission in the draft climate and energy package. Significantly, the objective in that draft is for a 10% share of renewable energy in transport, not a flat inclusion of 10% bio-fuels in transport fuels.

The sustainability criteria under negotiation in Brussels are aimed at ensuring that bio-fuels counted towards EU targets deliver real and worthwhile net emissions savings, do not cause disruption to communities in the developing world and that important natural habitats and ecosystems are preserved. My Department is taking an active role in these negotiations and is working closely with the Commission and other member states to ensure that the final set of criteria is robust, effective and workable.

Furthermore, my Department is administering the bio-fuels mineral oil tax relief schemes that were launched in 2005 and 2006 and have resulted in 18 projects being awarded excise relief between 2005 and 2010. The schemes were designed as interim measures to accelerate the level of bio-fuels in the national fuel mix, in advance of the introduction of a bio-fuels obligation. As a result of these schemes, bio-fuels are already being mainstreamed in blends of up to 5% at a number of existing petrol and diesel pumps and higher blends are being sold to identified vehicle fleets, which are known as captive fleets.

The proposed new directive is under discussion at present with a view to securing a Council agreement by the end of this year. While the Government is committed to existing targets, they must be set in the context of a framework for robust sustainability criteria in respect of production and deployment.

I will be publishing a draft of the bio-fuels obligation document shortly, which will set out the manner in which I propose to meet the 2010 targets, and which also will provide a means of meeting a large part of the 2020 renewable energy in transport targets. The introduction of the obligation will require all fuel suppliers to ensure that bio-fuels represent a certain percentage of their annual fuel sales. The bio-fuels obligation will provide a long-term market-based framework for the development of a bio-fuels sector and delivery of bio-fuels targets to 2020, and will provide the market with the certainty it requires to continue to invest. The bio-fuels obligation will take full account of EU developments regarding bio-fuels and related sustainability criteria, once agreed. Our collective objective in the European Union must be to

ensure that production and investment in bio-fuels is fully sustainable worldwide and does not have harmful consequences for developing countries in either environmental or food security terms.

I fully support the Commission's objective to set a sustainable framework for bio-fuels policy, which will see the EU taking a lead in this complex area. Bio-fuels are an important aspect of the Government's response to rising emissions in the transport sector. Through appropriate research, demonstration and development schemes, such as the Charles Parsons awards, it is incentivising the development of second generation bio-fuels, which will not use food stocks as raw material input. It is also examining the feasibility of other renewable energy sources for use in the transport sector such as biogas and electric vehicle use.

Electric vehicles, including hybrid-electric, plug-in hybrid or battery electric, offer an increasingly realistic solution in respect of reducing greenhouse gas emissions from transport and dependence on imported fossil fuels. There has been highly significant global investment in research and development in this field over decades and the technology is now maturing to a point at which large-scale commercial deployment appears feasible in the medium term.

Sustainable Energy Ireland has recently published reports on hybrid electrical vehicles and battery electric vehicles. These reports focus on potential measures that might be used to stimulate uptake in Ireland and make a series of recommendations with regard to how this might be best accomplished. These provide a useful template for the way forward and will be considered as part of the work of my Department's renewable energy development group and in the sustainable transport and travel action plan being finalised at present by my colleague, the Minister for Transport.

My colleague, the Minister for Transport, has indicated that public transport operators, which are the subject of public service obligations, have been instructed to move to a 5% biodiesel blend in the current fleet immediately, with the view to ensuring that all new buses, as part of future fleet replacement, can operate on a 30% blend, subject to technical and logistical constraints. It is expected that the obligation will be implemented in 2009. The Department of Transport will also continue to look at the technical and economic feasibility of buses and heavy goods vehicles operating on 100% pure plant oil as well as any potential regulation of engine modification or suitable fuels.

In February 2008 the Department of Transport launched its document "2020 Vision: Sustainable Travel and Transport: Public Consultation Document", which sets out the Government's vision for a sustainable transport system by 2020 and seeks to elicit response from stakeholders and the public on how certain policies and measures could be introduced to reduce discretionary demand for travel and improve energy efficiency. The need for a sustainable travel and transport action plan emerged during the preparation of the Energy White Paper, "Delivering a Sustainable Energy Future for Ireland" and the revised National Climate Change Strategy 2007-2012, when it was recognised that adverse trends in the transport sector in Ireland had to be addressed.

In the context of our renewable energy ambitions we need to mobilise as yet untapped biomass resources, including the potential offered by marine algae or seaweed. Work is currently underway to determine what the marine environment might contribute to developing the national bio-fuels capacity. The analysis will include identifying the necessary research, development and demonstration projects to realise any such potential.

The greener homes scheme, launched in March 2006, provides support to homeowners to invest in a range of domestic renewable energy heating technologies including solar panels, biomass boilers and stoves, and heat pumps. The scheme has proved popular since its launch, with 22,000 grant offers in place across the three technologies. Already 13,750 of these offers

[Deputy Seán Power.]

have been paid following the successful installation of the systems, resulting in the investment of \$42 million to date. These completed systems have resulted in annual reduction of 33,000 tonnes of CO₂ emissions. The scheme has helped establish a strong supply industry for the products, services and fuels while the application of strict product standards and installer training and quality schemes has ensured that consumers are both informed and confident in their choices.

The scheme is constantly under review. Earlier this week my colleague, the Minister, Deputy Ryan, announced phase III of the scheme. This was timed to coincide with the recent coming into force of the revised building regulations 2008 which for the first time see a compulsory requirement for some component of renewable energy in all new homes.

It is recognised that the installation of renewable heating systems in existing homes is typically more complex and therefore more expensive. As a result it is appropriate to continue to provide support to this sector while the market reaches ultimate maturity. Therefore, the main change under phase III of the scheme is that henceforth only existing — at least one year old — houses will be eligible for support. There will be a small reduction in the levels of support for the existing biomass technologies.

In addition, as part of this new phase, gasification boilers as part of a new biomass technology is being added to the scheme and becomes eligible for support. All details will be published on Sustainable Energy Ireland's website when the scheme reopens for applications on 22 July 2008. Gasification boilers for the domestic sector will be supported at a fixed rate of €2,000.

SEI also runs a renewable heat deployment programme, called 'Reheat', which provides capital support for organisations wishing to install renewable heating technologies in their premises or to conduct analyses as to the suitability of the technology. A total of 416 applications have been received since the launch of the programme, 136 of which have been received since the start of 2008 representing an increase of 109% on the same period last year. Of those applications, 355 are for capital investment, with grant commitments now over €6.5 million across 329 approved applications. Of these projects, 154 are for biomass boilers, 96 are for solar thermal installations and 39 are for heat pumps.

SEI also runs a combined heat and power deployment programme, which has recently been expanded to take into account biomass CHP and anaerobic digestion CHP. A total of 77 applications have been received, of which 53 are for capital investment, with 55 approved for a total commitment level of over €2.5 million.

We have seen a rapid increase in our levels of renewable electricity in recent years where it now amounts to almost 9.5% of our overall electricity generation. This is double the figure of three years ago. We have seen the success of our greener homes scheme, where we have created markets with approximately 10,000 domestic renewable energy systems a year are being installed. Two or three years ago this figure would only have been in the hundreds. We have trained hundreds of renewable technology installers all over the country and local supply chains are developing to harness our local biomass resources to substitute for imported fossil fuels. We have just introduced new domestic building regulations, which are among the most challenging anywhere in Europe from an energy efficiency perspective and which have underpinned the renewable energy sector by making renewable technologies compulsory in new buildings. This is just the start, as we are now significantly accelerating our renewable energy programmes to ensure we deliver on our 2020 targets as we strive to eliminate carbon from our future energy supply.

Senator Dominic Hannigan: I welcome the Minister of State, Deputy Seán Power, to the House. Energy use and sustainability is an issue that will become ever more pressing in the

near future. In this regard, *per capita* carbon emissions in Ireland are the second highest in Europe. Between 1990 and 2005, Ireland was one of the five top European countries for experiencing an increase in carbon emissions, the others being Spain, Greece, Austria and Italy. We need to improve quickly on this because it is evident that climate change is already having a noticeable effect and a detrimental impact on our climate.

Our seasons have changed. We are experiencing summers and winters that are warmer than ever before. Eleven out of the last 12 summers have been the hottest in over 150 years. In fact, six of the ten warmest summers on record have happened since 1990. In Ireland's new winters frost and snow are being substituted by rain due to the warmer temperatures. Essentially, it is getting warmer and also wetter.

As a nation, we have done little to reverse these trends. If we do nothing, it will get worse. The continued change in our weather systems will end up leading to a dramatic shift in the way we run our agriculture sector, for instance, and that will happen within the next 30 years. Hotter, drier summers will drastically affect any efforts we are making to reforest more of the island. Importantly, water supplies, especially in urban areas, will come under unprecedented pressure.

While we continually debate this issue, the reality is that there is no structure, plan or strategy to deal with this. That is worrying. It cannot be denied that this is likely to happen sooner rather than later and the Government has no ideas on how to improve the situation.

The Minister of State, Deputy Seán Power, stated that it is over two years since the greener homes scheme was introduced. However, in that time there have been few new ideas coming from the Government. Apart from the introduction of some building regulations, the commissioning of studies is all that seems to be happening. Therefore, I am disinclined to congratulate the Government on favouring renewable energy sources over fossil fuels because it is not evident they are doing so.

Despite having read an extract from the programme for Government, I am still in the dark as to what exactly are its policies on energy and renewable energy. There appear to be three main pillars dealing with the topic of energy in Ireland in the programme for Government; one pillar deals with the security of supply of energy, the second deals with the competitiveness of our energy market and the third deals with the environmental sustainability of our energy use. In all three pillars I cannot find a single commitment that takes us steadily, safely and sustainably away from fossil fuels.

In the security of supply section, the programme for Government mentions efficiency and availability of energy. It refers to a reliable energy network that works for consumers. The section on competitiveness is also fairly open, referring to the single electricity market and an intention to maintain a State-owned infrastructure for electricity and gas.

I turned to the section on environmental sustainability thinking I might find something of substance, but all I got was waffle, with lots of sugary, syrupy words about saving energy and resources. There is not one commitment in it. There is no leadership on the issue of sustainability and there are no guarantees on introducing any new policies to deal with this matter.

There is no commitment to move to sustainability in the transport sector. Instead the Government will promote the idea. There is no leadership in changing the way homes are powered or built. Instead, there is vague talk of incentivising people to move to greener homes. There is no guarantee of rapid investment and development of existing energy technology, such as wind energy. Instead the Government will keep this area "under examination". There is no commitment, leadership or guarantees.

[Senator Dominic Hannigan.]

If ever there was a time when we needed real leadership, it is now. The best estimates point to our reaching peak oil in four years, by 2012. At that point Ireland will be in a very dangerous situation. In 2004, we used 9 million tonnes of oil, which is almost a doubling of oil use in 14 years. Ireland is ranked third highest among EU states in use of oil per head of population, which is dangerous for food supplies and electricity production and means there is a danger we will not be able to satisfy our transport needs.

We need to hear less waffle and more about firm commitments and guarantees. How will the Government tackle the approach of peak oil? What will it do to tackle our dependency on fossil fuels and foreign oil? When will it actively promote and develop clean energy? I will vote against the Government's motion as I cannot vote for a policy that does not exist.

Senator Joe O'Reilly: Hear, hear.

Senator Fiona O'Malley: I am pleased to speak after Senator Hannigan as I can provide some statistics on what the Government has done. The Senator should not leave just yet as he will miss the reply. At the Joint Committee on Climate Change and Energy Security today, it was announced that there will be 3,000 MW of renewable energy from the third gate of the available schemes. This is a tangible example of what is being delivered. Unfortunately, the Senator has not waited to hear a response, which is sometimes the problem with debates in the House. People make inaccurate points, then ask questions about what is being done but will not wait to hear the answers, of which there are plenty. I could not wait to provide a reply to the Senator. Gate 1 produced 375 MW and gate 2 produced 1,300 MW. The targets are tangible and are not just national but European.

At a national level we have created more stringent targets. It is estimated that 4,500 MW will be needed to reach the target of 33% of power from renewable energy sources by 2020. If all gate 2 projects proceed, there will be 2,725 MW on the system. There are 7,000 MW in the queue. This is a real, tangible example of what is being delivered under the Government strategy. It is a nonsense and ridiculous to say it is all waffle and there is nothing happening. I wonder to what extent Senator Hannigan is aware of the current initiatives throughout the country, of which there are plenty.

Before I discuss bio-gas I wish to make some remarks on bio-fuels. The contribution of Senator Feargal Quinn on this matter seemed to be very negative, or perhaps wary is a more appropriate description. I understand there are global issues relating to pricing on this matter at present. I met a person this afternoon who mentioned an interesting statistic. We should not have a knee-jerk reaction to bio-fuels. This person said if there is a 1% decrease in the global availability of maize, it has an impact on the price of more than 100%. A 1% reduction in the availability of maize is modest in a global sense, but the impact on the price of the maize is phenomenal and completely out of proportion.

This is what we are responding to at present and one can be sure the producers of maize, wheat and corn throughout the world will change their practices because of the fluctuation in market prices. This is not a stable situation and we cannot decide future policy in this area based on that. It is necessary for matters to settle somewhat. This statistic brings a sense of proportion to the whole subject. At the committee meeting this afternoon there was a discussion on developing an indigenous bio-fuel industry in Ireland. We must be careful how we proceed to ensure we develop a sustainable bio-fuels market. For this reason I am especially interested in the options for bio-gas.

I was pleased to learn Sustainable Energy Ireland has invested research and development funding in this area. I intend to spend time in the coming month travelling throughout the

country examining what are deemed model sites dealing with anaerobic digestion, treating animal waste and so on. Through bio-gas in the broad sense of the term we can solve several problems, including those created by the meat rendering industry. At present we export a good deal of rendered meat at great expense, whereas we could be generating fuel for cars or heating systems.

In this respect travel broadens the mind. On a recent trip of the Joint Committee on Climate Change and Energy Security to Stockholm we met many people and businesses providing novelty in this area. Ireland could do much work in this regard and could receive help to reach energy independence. This is the aim of Government policy — to decrease the high dependence on fossil fuels. It takes a small degree of innovation. The person I spoke to this afternoon indicated that one simple measure, such as the provision of excise relief for bio-gas, would open doors and allow producers and investors the necessary security — it is a risky business — and encouragement to invest. I intend to carry out a good deal of research during the summer months in this area and I will revert to the Minister for Communications, Energy and Natural Resources and the Joint Committee on Climate Change and Energy Security with my findings.

Much progress has been made in the area of building regulations and housing standards. I very much wish the Government would commit to the idea of a zero carbon house. The UK Government has made such a decision and I have spoken on this matter previously. All housing can be built in this way. This UK Government has committed to providing zero carbon new houses by 2016. I believe we should follow suit, as this is what we need to do. If our building regulations were updated, it would be a possibility here too and I encourage the Minister for the Environment, Heritage and Local Government to consider it. I recognise, having just considerably amended the building regulations, the Government may decide it is rather onerous to create an additional burden. However we have targets we must meet, and there are many penalties if we do not. I hope the Minister considers the long-term view which includes good, sustainable housing for communities in the future.

Senator Brian Ó Domhnaill: Ba mhaith liom ar dtús báire buíochas a thabhairt don tAire Stáit as a bheith anseo linn tráthnóna. I thank the Minister of State, Deputy Seán Power, for his contribution to what has been a good debate on what is being done trying to move away from our dependence on fossil fuels and non-renewable energy sources to renewable energy sources. The Opposition may have its views but when its members reflect quietly away from the Seanad they will slowly agree with what is being done.

The highlight of the action taken to date would be relevant to Senator Coffey's contribution. Before the Government introduced some of the schemes we now have, the Senator was unable to avail of relief and assistance. Had the Senator waited until the Government introduced its scheme, he may have been able to avail of it as well. Senators Coffey and O'Reilly, as well as their colleagues, can all avail of the scheme, as can their constituents.

I commend a number of current initiatives. Sustainable Energy Ireland is doing excellent work, promoting its work at an individual level for the homeowners, as well as for business owners and schools. It does not always get the recognition for this promotional activity which it deserves. It was referred to on the other side of the House and I agree with the comments. It was established by the Department and is doing much excellent work.

The Minister of State outlined the targets set and what is being done to achieve and surpass them. I welcome the work being done in this regard. Further announcements will be made on the greener homes scheme by the end of the month. This is an excellent scheme and younger people seeking to build their homes in particular are availing of grant aid from it. A change of mindset might be required.

[Senator Brian Ó Domhnaill.]

I agree with some of Senator Coffey's views with regard to the educational dimension. Perhaps we should consider this in conjunction with local authorities and schools, and although work is being done, perhaps we could do more.

I have no hesitation in recommending the motion to the House and acknowledging all the views expressed in this debate. I know Senator O'Reilly will quietly reflect on the matters. The Senator made the point that people should perhaps travel to work together. Does this mean Senator O'Reilly will be travelling with Senator Wilson to Leinster House and going home with him on a Thursday evening? If a statement like that is made, we have an obligation to stand over it. I am sure Senators O'Reilly and Wilson will make those arrangements.

Gabhaim buíochas leis an Aire Stáit as a bheith anseo tráthnóna to update us on what the Department is doing. We look forward to having him back in the House in the near future.

Amendment put.

The Seanad divided: Tá, 16; Níl, 25.

Tá

Burke, Paddy.
Buttimer, Jerry.
Coffey, Paudie.
Cummins, Maurice.
Doherty, Pearse.
Fitzgerald, Frances.
Hannigan, Dominic.
McFadden, Nicky.

O'Reilly, Joe.
Phelan, John Paul.
Prendergast, Phil.
Regan, Eugene.
Ross, Shane.
Ryan, Brendan.
Twomey, Liam.
White, Alex.

Níl

Boyle, Dan.
Butler, Larry.
Callely, Ivor.
Carty, John.
Cassidy, Donie.
Corrigan, Maria.
Daly, Mark.
Ellis, John.
Feeney, Geraldine.
Hanafin, John.
Keaveney, Cecilia.
Leyden, Terry.
MacSharry, Marc.

McDonald, Lisa.
Ó Domhnaill, Brian.
Ó Murchú, Labhrás.
O'Brien, Francis.
O'Donovan, Denis.
O'Malley, Fiona.
O'Sullivan, Ned.
Ormonde, Ann.
Phelan, Kieran.
Walsh, Jim.
White, Mary M.
Wilson, Diarmuid.

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

Amendment declared lost.

Motion put and declared carried.

Dublin Transport Authority Bill 2008 [Seanad Bill amended by Dáil]: Report and Final Stages.

An Leas-Chathaoirleach: I welcome the Minister for Transport, Deputy Dempsey.

This is a Seanad Bill which has been amended by the Dáil. In accordance with Standing Order 103, it is deemed to have passed its First, Second and Third Stages in the Seanad and is

placed on the Order Paper for Report Stage. On the question, “That the Bill be received for final consideration”, the Minister may explain the purpose of the amendments made by the Dáil. This is looked upon as the report of the Dáil amendments to the Seanad. For Senators’ convenience, I have arranged for the printing and circulation of the amendments. The Minister will deal separately with the subject matter of each related group of amendments. I have also circulated the proposed groupings to the House. A Senator may contribute once on each grouping. I remind Senators that the only matters that may be discussed are the amendments made by the Dáil.

Question proposed: “That the Bill be received for final consideration.”

An Leas-Chathaoirleach: The first group of amendments with which we will deal is comprised of amendments Nos. 11 to 18, inclusive.

Minister for Transport (Deputy Noel Dempsey): This group of amendments relates to the membership of the authority and the advisory council. With regard to the authority, the Bill always provided for a chairperson and nine members and that remains the case. On Committee Stage in the Seanad, the bar on local authority members serving on the Dublin transport authority was discussed. This bar was subsequently removed by amendments. A further amendment, which reduces the number of DTA executives on the authority from three to two, has also been made. This will allow the Minister for Transport to appoint six ordinary members of the authority in addition to the chairperson.

The advisory council has been increased in size from 12 to 23 members, plus a chairperson. There will be a member from each local authority in the greater Dublin area, GDA — a development which was sought by Members in this House — in addition to a member from each of the two regional authorities. This means there will be a total of nine public representatives on the Dublin transport authority. The amendments also provide for two Irish Congress of Trade Unions, ICTU, nominees, two business representatives, two representatives concerned with the promotion of the general interests of communities in the GDA and four representatives of the public interest, including the interests of people with disabilities.

These are the major changes that have been introduced in respect of the membership of the Dublin transport authority and the advisory council. They go a long way towards meeting the concerns expressed in this and the Lower House.

Senator John Paul Phelan: I hope the Leas-Chathaoirleach will guide me in respect of the matters under discussion. I wish to make a number of points in respect of these amendments, which relate to the advisory council and the board. My colleague, Senator Donohoe, who tabled a number of amendments on Committee and Report Stages in respect of the membership of the advisory council and the board, is not available. One of the Senator’s concerns is that representatives of consumers — in this case, commuters — would be included on the advisory council. I did not detect from the Minister’s comments whether Senator Donohoe’s concerns have been taken on board. Will the Minister clarify the position in that regard?

Another issue raised in this and the Lower House was the vetting of board members by the Joint Committee on Transport. I do not believe the Minister referred to that matter either when commenting on the amendments.

I understand that on Report Stage in the Dáil, some 72 amendments were not reached as a result of the imposition of a guillotine. I am sure some of those amendments are contained in the group with which we are dealing. Perhaps the Minister might explain what is covered and indicate whether this group deals with the matters to which I refer.

Deputy Noel Dempsey: On the question of representation for commuters and others, I already provided a breakdown in respect of the membership of the advisory council. Four of the members of the council will be representative of the public interest and will be appointed by the Minister. These individuals can be nominated by different interest groups. Therefore, the concerns to which the Senator refers in this regard are covered by this group of amendments.

As regards the Joint Committee on Transport vetting board members, we made a number of changes regarding the authority, appointments thereto and the role of the joint committee. The latter has been given a new role, to which I will refer in respect of a later group of amendments. To allow the joint committee to vet people and make final decisions in respect of the board's membership would be an abdication of the responsibility of the Minister and the Government to make such decisions. Therefore, no change has been made in that regard.

An Leas-Chathaoirleach: The second group is comprised of amendments Nos. 4 to 6, inclusive, 8 to 10, inclusive, 19, 22, 24, 25, 31, 32, 37 and 39 to 41, inclusive.

Deputy Noel Dempsey: This group of amendments deals with enhanced accountability, reporting and consultation arrangements. It was always the case that, under the Bill, the Joint Committee on Transport could call the chairperson and chief executive officer to account for their stewardship of the authority. The Minister for Transport retains direct political responsibility and ultimate accountability for the DTA and has final sign-off in respect of its two main outputs, namely, the transport strategy and the implementation plan. In addition, all moneys voted to the DTA will go through the Vote of the Department of Transport. The Secretary General remains the Accounting Officer for all voted transport expenditure and will report to the Committee of Public Accounts in respect of those funds.

As already stated, the Bill has been amended to provide that the Joint Committee on Transport shall be consulted on the DTA's draft transport strategy. This matter was the subject of discussion in the Seanad on a previous Stage. The joint committee will be entitled to call representatives of the DTA to come before it to discuss the draft strategy and shall submit its views to the Minister prior to the strategy being approved by him or her.

Several amendments have been made to strengthen the consultation among the DTA and various interested parties, including regional and local authorities, the Garda Síochána, other transport authorities and the public, in the greater Dublin area. This matter was also previously discussed at length in the Seanad. The DTA must consult all of these parties when the transport strategy is being developed and again before it is submitted to the Minister for Transport. Members of the public will also be entitled to make written submissions.

Before the draft transport strategy is approved, the regional authority, the joint committee and interested parties will have a four-week period in which to make known their views to the Minister. The recommendations of the advisory council, and the DTA's reasons as to why it has rejected any of these, must be published.

A further amendment to the Bill requires that the DTA must report every two years in respect of the continuing need for any subsidiaries it may establish. The Bill has also been amended to make it explicit that on each occasion on which consultation occurs, the authority or the Minister must consider the views expressed by the consultees.

This group of amendments introduces a number of changes. Many of those changes were discussed in the Seanad but we were not in a position at the time to accept the amendments relating to them. However, the concerns expressed were subsequently taken on board in the Dáil.

An Leas-Chathaoirleach: The third group is comprised of amendments Nos. 36, 38, 42, 45, 46 and 48 to 50, inclusive. The subject matter of these amendments relates to the relationship between the DTA and other organisations.

Deputy Noel Dempsey: One of the amendments in this group takes account of a concern originally expressed by Senator Brendan Ryan in respect of legal professional privilege. The amendment makes it clear that when authorised officers of the DTA seek documents and records from another organisation, there is no requirement to provide documents which would otherwise be protected by legal professional privilege. As the Senator will recall, we discussed the need to make provision in respect of legal professional privilege. It was not believed absolutely necessary but in deference to what he said, we have included it.

The Bill provides that the functions of the Dublin Transportation Office should be absorbed into the DTA and the DTO will be dissolved in due course. The original Bill contained only provisions relating to the transfer of staff from the DTO to the DTA. An amendment was made in the Dáil providing that similar provisions should apply to any transferring staff of the Railway Procurement Agency, RPA. The Bill already provided that the integrated ticketing function of the RPA should transfer to the DTA. That amendment allows the RPA to designate, with the consent of the Minister, staff to be transferred to the DTA provided their principal duties relate to a function assigned to the DTA.

When I introduced the Bill to the House, I indicated that the Government had asked my Department to consider the possibility of the incorporation of the Commission for Taxi Regulation. That is consistent with the decisions being made to pursue administrative efficiencies but following examination of the proposal, it became apparent that it would be too complicated to integrate the commission into the DTA at this time. We were not able to do it in the timeframe for consideration of the Bill.

A new subsection has been added to section 76 to require the DTA and the commission to consult each other with a view to identifying administrative efficiencies in regard to the implementation of their respective functions and implementing such measures as they consider appropriate to achieve those efficiencies.

In regard to the DTA's strategic traffic management plan, amendments were made to the section on traffic management guidelines which make it clear that control of carparking revenue remains in the control of the local authorities. Further amendments were made which clarified the role of the National Roads Authority in regard to road user information systems.

An Leas-Chathaoirleach: The fourth group comprises amendments Nos. 26 and 27 on public transport service contracts.

Deputy Noel Dempsey: Amendment No. 26 relates to the insertion of two additional paragraphs to section 48 which provides the statutory basis for the authority to enter into public transport service contracts in respect of the provision of bus, rail, light rail and metro services.

Section 48(3)(o), as amended by the Dáil, responds to concerns expressed in regard to the terms and conditions of employment for public transport sector operators. The House will be aware that arising from Towards 2016, the Department of Enterprise, Trade and Employment is preparing legislation to give effect to a range of measures and discussions are also taking place in the partnership talks on the implementation of part two of Towards 2016 in regard to workplace employment rights and compliance. That is being dealt with in those circumstances and the Bill, when enacted, will take on board whatever agreements are reached.

We introduced a new paragraph (o) to require that the public transport service contracts contain requirements relating to the applicable law in regard to pay and terms and condition

[Deputy Noel Dempsey.]

of employment. That addressed the concern expressed in so far as it was within my capacity to do so at this time.

Arising from concerns relating to the certification of transport operators, paragraph (n) was inserted. That will require operators to hold the appropriate national and international road passenger operators licence, known as the RPTOL, which is granted every five years. The application criteria relate to a range of issues such as professional competence, good repute and sound financial standing.

The second amendment in the group, amendment No. 27, relates to section 52 which establishes that the three CIE companies have exclusive rights to provide the services which are currently the subject of State financial control and for growth in respect of rail services, subject to future legislative changes. In the case of bus services, the exclusive right is also subject to the grant of bus route licences to private bus operators under the Road Transport Act 1932 and direct award contracts will be entered into to support the provision of the services. We are concerned here with services existing at the time the Bill is passed.

The amendment sees the introduction of a new section 5 which provides that the authority can make alterations to bus services to which the contracts with Dublin Bus and Bus Éireann relate provided there is no amendment to the scope of the exclusive rights to which the contract relates.

Senator John Paul Phelan: I wish to ask the Minister about how public funds used to subsidise non-profitable public transport routes will be guaranteed into the future, an issue raised in both Houses. A vital aspect of public transport is that the Government funds routes which are not economically viable but on which we want a public transport option. There is a concern that subsidies given to some of our public transport providers are not spent directly on the provision of those routes but in other areas. Amendments were tabled on Committee Stage and possibly on Report Stage in the Seanad on that issue. I do not know if it relates directly to amendments Nos. 26 and 27 but will the Minister give me some information on that?

I refer to licensing reform and competition in the bus transport sector, in particular. Amendments were tabled on Committee Stage in this House on those issues and perhaps the Minister will comment on them.

Deputy Noel Dempsey: I have no evidence that PSO money which is given to subsidise non-commercial or non-viable routes is not being spent on them. The latest value for money study I saw on this seemed to indicate that everything was in order. However, I would be the first to admit that the system we have at present in regard to PSOs, the payments, subsidies and so on is not transparent enough. There are suspicions but any investigation or assessment done does not bear out those suspicions. However, once there is suspicion, it is necessary in an area such as this to be as transparent as possible.

The way the Bill is drafted and the way the DTA will be obliged to work will make the system much more transparent. To start that on a good footing, we are looking at the networks provided by Bus Éireann and Dublin Bus in the greater Dublin area. A study has been commissioned and we will have the results before the end of the year. That will feed into the information off which the DTA will be able to work.

In regard to private bus licences, there is a need to move in regard to the 1932 Act and events in recent weeks have re-emphasised that. I intend to bring forward legislation before the end of the year if we can do so to reform the 1932 Act to ensure we have a vibrant bus service and public transport system in the Dublin area.

An Leas-Chathaoirleach: The fifth group comprises amendments Nos. 1 and 61 on transport officers.

Deputy Noel Dempsey: The opportunity was taken with everybody's co-operation to change the basis for appointing transport officers who are employed by the Road Safety Authority. They inspect road haulage operations and check tachograph readings, transport company records and compliance with the legislation. They perform an important road safety function. The result of the amendment will be that transport officers may now be appointed directly by the Road Safety Authority, which will employ them, rather than by the Minister. That clears up that small anomaly.

An Leas-Chathaoirleach: The sixth group comprises amendments Nos. 2, 28, 29, 30, 33, 51, 52 and 56, on public transport facilities and services.

Deputy Noel Dempsey: There were several amendments relating to public transport facilities and services. The definition of "interchange facilities" was amended to include park and ride, a matter which was raised in the Seanad. This makes clear that the DTA's traffic management plan must deal with park and ride issues. The section dealing with the integrated timetables was amended to make it clear that it was intended that the DTA should pursue the provision of real time passenger information as part of that process. The section on shared use of bus stop facilities by different public transport providers was amended to set out an equitable basis for sharing the costs of installing and maintaining shared use bus stops.

Two amendments were made to CIE's by-law making powers. One restated CIE's powers to charge for failure to observe by-laws relating to parking and the second brought a reference in the by-laws to travelling without a ticket into line with the RPA's by-laws. The final amendment provides clarity regarding the Railway Procurement Agency's power to set fares.

Senator John Paul Phelan: I am not sure if my question relates to this area. Integrated ticketing is an old chestnut. Will the Minister outline the current position in that regard? What position will the DTA take on the implementation of integrated ticketing? We have not seen much progress in that area but it is one of concern to public transport users like myself.

Deputy Noel Dempsey: Integrated ticketing is a project where one does not see significant progress while the background work is being carried out. The integrated ticketing board was set up by my predecessor around 2006. Since that time, it has made substantial progress. Currently it has the back-room facilities required to ensure we have an efficient, effective integrated ticketing project. Tenders have been received for this and we are in the final stages of negotiation of the tender, if not already completed. The next stage will be when the integrated ticketing project goes to public tender to find an operator to run the system.

The first companies to operate the system will come on line in September 2009. Subject to correction, by 2011 all of the public transport companies and, hopefully, private companies will be in the system. When the DTA is established, it will take over from the integrated ticketing board and will have full responsibility for the roll-out of the system. Again subject to correction, Bus Átha Cliath and Iarnród Éireann are currently using a smart card as a lead-in to integrated ticketing. The Department of Social and Family Affairs is also finalising a smart card for people entitled to free travel. There has been significant progress on the issue.

An Leas-Chathaoirleach: The seventh group comprises amendments Nos. 55, 57 and 58, on corporate governance.

Deputy Noel Dempsey: This group deals with CIE and RPA matters and amends their parent Acts. The first two amendments, amendments Nos. 54 and 55, relate to the requirement that CIE obtain the consent of the Minister for the disposal of property. They provide for setting by order the minimum threshold above which consent must be sought. The terms of the directorate of the RPA were changed to make it clear that members would serve up to a maximum of ten years in total over two terms of appointment, which is the normal practice for the boards of State bodies.

A requirement that the directorate of the Railway Procurement Agency make declarations of their interests was repealed because it had been overtaken by the Ethics Acts, which set the standards for declaration of interests to which all directors on all State bodies must comply, including the directors of the RPA. This issue was discussed in the House previously.

Senator Brendan Ryan: The Minister referred to amendment No. 54. Was that amendment part of the group he has just dealt with?

An Leas-Chathaoirleach: No, the seventh group dealt with amendments Nos. 55, 57 and 58. The eighth group comprises amendments Nos. 59 and 60, on planning process clarification.

Deputy Noel Dempsey: The amendments in this group clarify the planning processes with regard to railway orders. The first amendment makes it clear that a planning application to An Bord Pleanála for railway development done by way of railway order is complete and there is no requirement to also go through the standard planning process for any aspect of the development. The second amendment relates to An Bord Pleanála granting rights to a railway operator in a railway order when the railway crosses a public road, or in the case of Luas uses a public road. It removes the need for the consent of the Minister for Transport to the rights granted.

An Leas-Chathaoirleach: The ninth group comprises amendments Nos. 3, 7, 20, 21, 23, 34, 35, 43, 44, 47, 53 and 54 and relate to technical or drafting corrections.

Deputy Noel Dempsey: These are a group of technical or drafting amendments and typographical corrections. They are straightforward and make the Bill more readable.

Question put and agreed to.

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

Senator John Paul Phelan: I thank the Minister and his officials for coming to the House and thank him for his straightforward answers. I did not get the opportunity to mention Deputy Séamus Brennan earlier, but I always found him a straightforward man to deal with when responding to questions. It is nice that his legacy is being carried on by this Minister.

Senator Brendan Ryan: When I spoke on this Bill previously, I welcomed it because the Labour Party has been calling for it for some time. The DTA is a vital agency that should have been established sooner. It has been established now, and we are grateful for that. We advocated that the DTA be placed on a statutory basis, have real powers to oversee development of transport, infrastructure and services and be accountable to the citizens of the greater Dublin area.

The Bill defines the greater Dublin area as the city of Dublin, south Dublin, Fingal, Dún Laoghaire, Rathdown, Kildare, Wicklow and Meath. As I argued previously, it should have included Drogheda, which is now an integral part of the greater Dublin area. It is difficult to understand why it was not included. The Labour Party pressed the Minister on this in both

Houses, but to no avail. However, the Bill contains the mechanism to address this later, which I hope will happen.

The Labour Party wanted to make the new transport planning body more effective, democratic and accountable and to avoid it becoming another HSE with no accountability to the Oireachtas. We tabled a number of amendments to ensure that this failing was addressed. However, we did not get the response from the Minister that we sought.

We have had the debates and the amendments and have made our arguments as cogently and forcibly as we could and there is no point in rehashing matters at this stage. In fairness to the Minister, he has accepted some of our ideas for improving the Bill, including some important changes relating to the public submissions in key areas. The Bill has now passed through both Houses and I welcome it. Notwithstanding the reservations that motivated our amendments, I wish it every success in bringing about the much-needed improvements in public transport in the greater Dublin area in years to come. I thank the Minister and his staff for the manner in which they brought the Bill through the various Stages.

Senator John Ellis: I would like to be associated with the complimentary remarks to the Minister. The Minister has taken on board many of the queries and amendments we raised on Committee Stage and has brought back amendments from the Dáil that will improve the Bill. Now that the Bill has passed through both Houses, I ask that it be commenced at the earliest opportunity. Quango after quango has been established to deal with transport within the Dublin city area, so it is important that the Bill takes effect.

I thank the Minister for increasing the number of local representatives on the board because they bear the brunt of transport and other problems. The changes will benefit the public and I thank the Minister and his officials for the efficient manner in which they dealt with the Bill.

Minister for Transport (Deputy Noel Dempsey): I thank Members and staff of the House for facilitating this Bill. We had a good debate during which a number of issues were raised. I was able to accept some of the amendments proposed in this House and I undertook to consider others before I introduced the Bill in the Dáil. I am grateful for the constructive approach Senators took and for the suggestions they made to improve the Bill. We have all played a part in improving this legislation.

In regard to my colleague, Séamus Brennan, who passed on this morning, it is fitting that we should be finishing our consideration of this Bill tonight. He took a particular interest in the Dublin transport authority and in transport matters affecting the greater Dublin area. From the moment I was appointed Minister for Transport, this Bill became a subject of regular discussion between the two of us. I acknowledge the role he played in the formulation of this Bill and the other work he did as a public representative over 35 years. He left a huge mark and his place will not easily be filled.

Senator Ellis and I were attracted into Fianna Fáil at the same time, during the first Ógra Fianna Fáil conference which was held many years ago.

Senator John Ellis: We are dating ourselves. We are going back to 1974.

Deputy Noel Dempsey: We are not in the least embarrassed to say it. When Séamus Brennan was general secretary of Fianna Fáil, he made a huge effort to encourage young people to join the party. He attracted a number of people, including a several Members who joined the party as a direct result of his efforts to get young people interested in politics.

[Deputy Noel Dempsey.]

The last big job he and I did together was the formation of the Government. It was said at the time that with two people like myself and the Taoiseach, a peacemaker was needed in the middle to ensure the negotiations were successfully concluded. Séamus certainly filled that role.

I pay tribute to him and extend my deepest sympathies to his family, especially his wife Ann, his children, Shay, Daire, Aoife, Sine, Breffni and Éanna, and his wider family, including his brother, who heads an agency of the Department of Transport. Ar dheis Dé go raibh a anam dílis.

Senator John Ellis: I would like to be associated with the expressions of sympathy for the wife and family of the late Séamus Brennan. Séamus and I came through these doors together for the first time in 1977.

Senator John Paul Phelan: One year before my birth.

Senator John Ellis: We will always know the year of Senator Phelan's birth. He was my friend and colleague for 31 years, which is a long time. I concur with the remarks that were made about him. There were many turbulent periods during our early days in this House but he was one of the few people who held a steady hand irrespective of how rough the waters were. That stood to him, as the Minister's comments about the formation of the Government indicate. He was definitely the good cop when it came to that kind of situation. He is a tremendous loss not only to his family and wider circle of relatives but also to this House and the country as a whole. It must have been sad for the Taoiseach to accept Séamus's decision not to continue in the Cabinet. Ar dheis Dé go raibh a anam dílis.

Senator Cecilia Keaveney: The first vote I cast after my election in 1996 was on keeping Séamus Brennan in the House when the Government of the day wanted to kick him out because of his vociferousness on the Luas. My first job in the Dáil was to vote to keep Séamus from being suspended, which was an event in itself.

Week after week during my first year, we asked whether we would win a vote on Private Members' Business but we never had the numbers. Séamus Brennan finally won a vote on the Luas because of an error.

Once while he was Chief Whip, I requested a pair but he told me to ask again after the 8.30 p.m. division. When I pursued him later, he told me to ask again in the morning. I noted that I had to be in Donegal for 10 a.m., so he told me to contact him early in the morning. As I passed through Monaghan at 8 o'clock that morning, I telephoned him with the intention of giving him at least two hours' notice. He told me that I could leave for Donegal after the Order of Business but I told him I was in Monaghan and that I was not about to turn back. I wrote him a "thank you" limerick for letting me off, even though he did not do so, and he returned my letter with a limerick hand-written in the margins thanking me for thanking him. I will keep that forever. He had a great sense of humour and was a quiet spoken and gentle man. He will be a loss to everyone.

Question put and agreed to.

Intoxicating Liquor Bill 2008: Second Stage (Resumed).

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

Senator Cecilia Keaveney: A previous speaker noted that people are being disgorged onto the streets at 4 a.m. Given that the Minister indicated this should not be happening, I ask him

to consider a requirement to display opening hours on a plaque which would be mounted outside pubs.

It was also suggested that a certification process similar to the good food guides should be developed for pubs and nightclubs. The majority of pubs observe the rules but, even if people do not see the equivalent of Egon Ronay's guides, at least they will be able to make an informed decision. I note that another voluntary code will be introduced to regulate the provision of separate areas for alcohol. I ask the Minister to ensure the review mechanism is strong and that the voluntary code is seen to be not only something to which people have signed up but which they will enact.

While closed circuit television systems are great, I am told CCTV footage is not admissible as evidence in court. Perhaps the Minister will consider tightening up the provisions in this regard. It is said that the camera never lies; if that is so, surely such CCTV footage should be admissible as evidence.

It is important people engaged in general supermarket work and in the sale of alcohol receive training in respect of the new provisions. Mechanisms should be put in place to ensure employers train their staff in this regard. This will ensure they understand they will be dismissed if they sell alcohol to minors. This is the standard we should seek to achieve. I have been told that tills are so sophisticated nowadays they will not register the bar code on alcohol products being sold on Sundays. While technology can assist in regard to the timing of the sale of alcohol, staff need to be trained and to be made aware of the consequences of their actions in this regard.

Theatre licences are to be abolished under this legislation. The licensing year commences in September. Will current theatre licences be valid until September or will they expire on enactment of this legislation? Perhaps the Minister will address, in his concluding remarks, the uncertainty in this regard. We are all aware of the situation in regard to polydrug abuse.

There are two further issues I wish to raise in the time available. I live in a Border area. If it remains possible that people can purchase alcohol cheaper in the North by way of clubcard points or the practise of below cost selling then many people on the Border will buy in the North. This will further undermine the industry. I ask that the Minister work with his colleagues in the North, who are also struggling to address the issue of alcohol misuse and abuse, to ensure the two sides are working towards the same goal. If this does not happen, publicans will suffer because cheaper alcohol will be bought and consumed elsewhere.

I accept provision is made in the legislation for the Garda to take alcohol from persons under 18 years of age. However, a number of gardaí to whom I have spoken do not believe this measure is as effective as ensuring persons under 18 years of age know they should not be consuming alcohol. I welcome that it will be an offence for persons under 18 years of age caught with alcohol in their possession to pass that alcohol to an adult or other person over 18 years of age. However, I believe we must ensure the penalty in this regard is more severe than his or her simply being referred to the juvenile liaison system, the administrative cost of which is enormous. It should be possible to provide in the Children's Act, for example, that parents may be fined when a child commits such an offence.

Every Saturday, people in my area are left to clean up the mess of broken glass and bottles left behind by under-age drinkers. If the people who make the mess were required under the criminal justice system, by way of community service, to clean up after them they might encourage their peers not to get involved in this type of activity. We could utilise the penalty of community service in respect of boy-racing and other offences. This could be supervised by FÁS scheme supervisors who are already trying to address some of these issues. I am aware there are insurance implications in respect of the collection of broken glass. However, citizens

[Senator Cecilia Keaveney.]

and members of Tidy Towns organisations have to do it while those responsible get off scot-free.

Senator Rónán Mullen: I wish to share time with Senator Ross.

An Leas-Chathaoirleach: Is that agreed? Agreed.

Senator Rónán Mullen: I welcome the Minister to the House. In my view, the alcohol problem in Ireland is very much the result of supply side issues such as advertising. I will commence by addressing the issue of immoral promotions to drive footfall in shops, in particular at holiday times, and the advertising of alcopops which are designed specifically for young people.

We have witnessed some cynical advertising strategies in recent years. It is all very well to say, as representatives of the drinks industry often do, that alcohol is not targeted at young people and that they are not attempting to send out to young people the message that the consumption of alcohol is associated with social success. However, people who have examined these advertising strategies have concluded that the advertising of alcohol is targeted to a considerable degree at young people, and in quite a cynical way.

The Bill, as many will say, has a relative lack of importance compared with what is actually needed and in terms of the promised legislation next term. It is timely for us to welcome it in so far as it goes and to consider what is needed if we are to deal in a serious fashion with our alcohol problem. We need to put in place serious restrictions on the advertising of alcoholic drink and its total ban in terms of its association with sport. I would like to see the printing of a health warning on all bottles, cans and advertisements for alcoholic drinks.

We need to address the proliferation of outlets for the sale of alcoholic drink. Supermarkets and filling stations facilitate the over-consumption and abuse of alcohol and make it easier for minors to access alcoholic drinks. I drive regularly from Dublin to Galway and back again and have stopped at filling stations which are shrines to alcohol in terms of how it is stocked, the prominence it is given behind the counter and so on. We are all aware of the huge increase in the number of off-licences and the increased number of areas where alcohol can be purchased. A question arises as to whether we want to tackle the issue of supply and-or demand.

Chun an fhírinne a rá, tá an rud fite fuaite. Tógfaimid faoi deara an chaoi ina bhíonn alcól ar fáil sna siopaí. Má tá sé sofheicthe ó thaobh láithriú de, is cinnte go mbíonn tionchar aige sin ar an meon agus an dearcadh a bhíonn ag daoine ina leith. Má tá sé le feiceáil, beidh sé á cheannach ag daoine.

As I said, supermarkets and filling stations are of particular concern precisely because they facilitate over-consumption of alcohol. I believe there must be strict regulation and restriction of the sale of alcoholic drinks outside licensed premises, namely, public houses, hotels and clubs. There should be restrictions on the time and day on which alcoholic drink may be sold. Cans and bottles containing alcoholic drink should be indelibly marked with the name and address of the off-licence or supermarket at which they were sold. This provision has been already passed into law but is not being implemented.

There must be restrictions on window displays of alcoholic drinks in off-licences, supermarkets and filling stations. We need to consider banning the sale of alcoholic drink at cut prices or as a loss leader. There should be an absolute ban on below cost selling of alcohol. I am aware the legislation provides that the Minister may make regulations to ban the advertising of reduced price or free drink with the purchase of any other drink or to prohibit the sale of reduced price drink or the giving of free drink with the purchase of any other drinks or prod-

ucts. It is all very well to provide that the Minister may make regulations in this regard but I believe we need to go much further and ban below cost selling of alcohol.

Everybody knows there is serious abuse of alcohol by young people who drink in parks, sheds, graveyards, along riverbanks and in other discreet places. The consequences of this practise of uncontrolled drinking of alcohol are misbehaviour, inter-personal violence, public order offences and so on. I was taken by the recommendations of the Pioneer Association in this regard. The Pioneer Association picks up on a great and noble tradition in Irish society in trying to tackle the problem of alcohol abuse through moral leadership. We should take seriously its recommendation that we outlaw the consumption of alcoholic drink outside licensed premises and its suggestion that local authorities be requested to monitor the practice of public drinking in towns and villages. I could go on but I wish to yield to my colleague Senator Ross. I look forward to further discussion on Committee Stage and urge a more serious approach to the drink problem in our society than has been the case to date.

Senator Shane Ross: I want to ask the Minister a single question. I do not share the outright opposition to the Bill which seems to be prevalent in many parts of the House. There are good parts and bad parts to it. I do not like the fact that the fingerprints of the Vintners' Federation of Ireland are all over it. However, I applaud the Minister for his change of mind on early houses. It showed common sense that was not necessarily the result of lobby group activity. Why is it necessary to have every premises close at the same time in the early hours of the morning? Why is it necessary to withdraw the distinction of theatre licences? I would have thought the Minister would give serious consideration to introducing staggered closing hours late at night as it would make the streets somewhat safer and would ensure that certain privileges could be given to premises which have different requirements at different times. It would be appropriate for the Minister to reconsider this clause.

Senator Labhrás Ó Murchú: I welcome the Bill and congratulate the Minister and his officials on the comprehensive response they have given to much of the debate that has taken place, not just in this House but in public. Whenever there are high-profile cases of anti-social behaviour, ending in some cases not just in violence but in death, this House invariably has long discussions on the Order of Business. Each time we had such a discussion it was based on a specific incident, but it always seemed to disappear quickly into the ether. I watched a series of television programmes about the streets of Britain, on which people are shown spilling out from nightclubs and engaging in thuggish behaviour. There is also violence, much of which, I am sure, ends in the destruction of individuals. Against that background we have had a similar "Prime Time" programme in Ireland, showing that abuse of alcohol — and, I presume, other substances — does not take place only in Britain or in other countries. While we might be accused of restricting the rights of people to enjoy themselves, we must also remember the rights of those who are on the receiving end of such anti-social behaviour, which represents the majority of people. Old people have had to lock themselves into their homes as into a prison. They have no sense of security or safety. When this issue is raised, people sometimes make fun of it. It is vital that we come forward and take a stand in this regard.

I reiterate what Senator Mullen said with regard to advertising. We are dealing with a drug; it is as simple as that. We also know that alcohol is harmful to health. I have discussed the consequences in terms of safety but there is no doubt that it also destroys people's health. We know this from the hospital records and reports. It is strange that while we have health warnings on cigarettes, we do not have such warnings for alcohol. Cigarettes cannot be advertised in certain circumstances. Likewise, why should alcohol advertising be allowed? I do not think that in this way we are demonising the publicans or the outlets. We cannot generalise in this regard. If we take a small pub in rural Ireland, it is a place where people gather for a social evening.

[Senator Labhrás Ó Murchú.]

Often it is the only social outlet. However, this cannot be compared to a nightclub in the city which allows people after hours of drinking, to come out on to the streets at 2 a.m. or 3 a.m. Generalisation is not always helpful.

The off-licence area is one that must be constantly monitored. Often, when driving in a car, I have seen relatively young people carrying six-packs out of off-licences in large quantities and bring them to wherever they will drink. There is no supervision and no way to tell whether they are under age or over age. The consequences of that type of drinking include not just those I have mentioned but the debris and so on that is left behind. The only way we can tackle this is to remind ourselves of the seriousness of the situation. There have been several criticisms of certain sections of this legislation and some of that has come from the nightclubs. I would not generalise and criticise all nightclubs as I do not have much experience of them. I presume most of them are properly supervised. However, it is only fair that time restrictions be placed on them to ensure the rights of other people. Those who object to certain restrictions that have been mentioned here should think of that. There is sufficient time in which to sell and consume drink. I do not think we should spend too much time having to listen to such objections.

The issue of theatre licences has already been raised by Senator Ross. There is no doubt that such licences were being abused in certain circumstances and that there were loopholes. However, for well run theatres, particularly those with tiered seating, rather than those with huge areas that are not theatres in a real sense, the idea of being able to sell drink an hour before the performance and for a certain time after was a good one. I would like to think that the 90% of venues that run their facilities properly run them as a service rather than as a financial undertaking. I would not like this service to be hindered as it allows the consumption of alcohol in a controlled social situation.

Something we might consider for future legislation is a method of allowing bed and breakfast facilities to serve a drink at night. There is no doubt that bed and breakfasts are under severe pressure at the moment. In recent years 50% of them have gone out of business. We will be left with nothing but the major facilities that can accommodate 30 or 40 guests. Small bed and breakfasts are particularly attractive facilities for people who wish to engage with Irish people in the home, but one of the disadvantages they face is that they cannot sell drinks. There should be some way we can help in this regard because these facilities have been caught in the net of health and safety, bureaucracy and over-regulation. I hope we will consider this in the future, no matter how radical it might seem, because it is an important issue.

There are times when we should listen very carefully before we engage in generalisation. I remember when the number of drinks one could consume was gradually reduced due to anti-social behaviour in cities. However, this also affected older people in rural Ireland who went down to their local pubs two or three nights a week for one or two pints. To a large degree they have been prevented from doing this and have now become isolated in their own homes. In the past three or four months I have heard people talk about the isolation now being experienced in rural Ireland, although not always in this context. President McAleese spoke about this and said it is necessary for all community organisations to do something about it.

In fairness, we should keep an eye on the difficulty facing older people who cannot go into a social setting for a drink, however many nights per week that may be.

Senator Liam Twomey: The debate around this legislation is about reducing the consumption of alcohol and, hopefully, reducing the negative social and medical effects that alcohol abuse causes Irish people. When I started college over 20 years ago there were holy hours, early closing on Sundays and restrictive times for nightclubs but even then there was a problem in this country with alcohol abuse. Holy hours and the like went by the wayside around ten years

ago and extended hours were introduced but the past decade has seen a massive increase in the consumption of alcohol. Most of this increase has been driven by the availability of alcohol in off-licences and supermarkets to be taken home for consumption.

People have spoken of the need to stagger nightclub closing times, which is very sensible. We must be sensible about how people socialise in this country. Young people of college-going age like to stay out late at night and they have the ability to then get up early, go to college or work and do what must be done. We must be sensible and consider staggered hours.

It is more important, however, that the nightclubs are properly policed because we see what is happening on our streets. In many of the UK programmes referred to by Senator Labhrás Ó Murchú it is clear that nightclubs are responsible because they pile people who are destroyed by alcohol onto the streets. It is clear that many of them were served alcohol long after they lost any capacity to make a sensible decision on what to do after leaving the nightclub. The problem is not so much to do with opening hours but with what happens regarding the distribution of alcohol in nightclubs.

The same problem applies to off-licences and the availability of alcohol to people who wish to take it home with them. There has been a huge explosion in accessibility to alcohol. Off-licences were difficult to find 20 years ago and it was harder to get alcohol in supermarkets. Alcohol was also far more expensive then — it is very cheap now and is promoted as just another grocery item in supermarkets. We must consider reducing accessibility to alcohol and changing attitudes to the consumption of alcohol and I do not know whether this legislation will do this or whether future legislation will be necessary in this regard.

The acceptance of alcohol abuse in this country is more complex than we admit. I do not believe that access to alcohol in public houses and nightclubs is the root of our problems. Alcohol consumption in Ireland has increased dramatically in the past decade and the ease and acceptability of taking alcohol home has caused this. When people make an effort and when the area is policed properly alcohol consumption can be controlled.

I am trying to be sensible. In a pure world nobody would drink alcohol, nobody would smoke, everyone would exercise regularly, nobody would be overweight and I would be out of a job but this, unfortunately, is not the reality. People will always abuse alcohol, though sometimes it will be an occasional thing. Some people abuse alcohol rarely but on the occasions they do they may put themselves in situations with terrible outcomes. I have seen people who have been seriously injured and who have died due to an inability to handle alcohol. However, somebody gave them the alcohol and put them in that situation. This is what we must go after.

This legislation will not address all of these concerns but if there is one big change the Minister might make it is to stagger the hours of nightclubs. This will make a huge difference and the rules should be enforced properly to ensure nightclubs are responsible for the people inside their four walls. The Minister of State, who is in the House, previously owned a pub and I know he would never serve alcohol to a person who is blind drunk and get a bad reputation for his establishment. This responsibility needs to be enforced — people must be held responsible for what happens in their nightclubs as this will help us protect people.

In the long term we must restrict access to alcohol and not make it so easily available, though this is not covered in this legislation and I do not know how it will be done. Buying alcohol today has become like buying milk and butter and, in many cases, people buy strong spirits that have a very negative effect, not only on their health but on the people in their houses. This is what we must focus on.

Senator Ivana Bacik: I welcome the Minister of State to the House and welcome the opportunity to speak on this Bill. More comprehensive legislation on the sale of alcohol is promised

[Senator Ivana Bacik.]

for the autumn but this Bill represents some important policy principles. Unfortunately, for a number of reasons that I will go through, it is a missed opportunity in terms of tackling problems associated with alcohol abuse. This point was made on earlier occasions but it is a pity that the Bill is to be rushed through during the last week of this session. There is no case for urgency on the Bill, particularly as more comprehensive legislation is due in the autumn. It is a shame that we are to rush it like this.

Others have gone into the harm caused by the abuse of alcohol through public order issues and private heartache in relationships. The question is how best to tackle this from a legislative perspective and this Bill, unfortunately, represents no more than a knee-jerk, tokenistic attempt to tackle the problem. I do not believe that restricting pub and nightclub opening hours and creating more criminal justice public order offences will tackle problems associated with the abuse of alcohol. Nor will they tackle the culture of drinking in Ireland, which has tended to be a culture of binge drinking and which has been compounded by restrictive opening hours in the past. Laws relating to holy hour and so on are, thankfully, no longer part of the system. It would be far better to address the problems associated with alcohol abuse through preventative and educational means, rather than through criminal offences and the restriction of opening times.

If one looks at the history of licensing laws in Ireland one will see that from the 17th century the motivation behind them was to control excessive drinking by controlling what was described in an old statute as “the needless multitudes of ale houses”. It was felt that these should be reduced “to fewer number, to more fit persons and to more convenient places”. We can see that this rather paternalistic approach to controlling alcohol consumption is still borne out in our current system of licensing laws. While any person may open a sweet shop or, indeed, a massage parlour, a licence is still required for any person who wishes to sell alcohol. The granting of new publican licences was prohibited in 1902 in an attempt to reduce the number of pubs in the country.

The result of this original motivation has developed into the complex system of licensing laws we operate with today whereby nightclubs operate under a sort of theatre licence that is not really suited to the modern establishments they constitute. Changes routinely take place nowadays to the opening hours of pubs and nightclubs and exemptions are granted to provide for longer opening hours. This is a rather unsatisfactory approach to regulating alcohol consumption and it has resulted in the unfortunate presence of a very small number of large, so-called super pubs, particularly in the centre of Dublin. They tend to close at the same time, due to the current laws, and this involves large numbers of people spilling onto the street simultaneously. This causes many public order issues, public transport difficulties and so on. As others said, it would be far better to introduce a system of sequential closing times, enabling some venues to stay open later than others. This would ensure people do not come onto the street at the same time. Members have referred to “staggered closing times” but this is a somewhat unfortunate phrase in the context of alcohol consumption. “Sequential closing times” might be a more tactful way of putting it.

We must be careful not to fall into the trap of youth bashing.

Senator John Paul Phelan: Hear, hear.

Senator Ivana Bacik: Certain contributors have railed at length about the youth of today but I do not believe they are any more prone to excessive drinking than the youth of other generations. There always has been alcohol abuse, among all age groups, and it was a much more serious problem before drink driving legislation was enacted. Most Members will recognise

that younger people are more likely not to drink than older generations if they are driving. There are obviously some exceptions but this is generally the case.

We need to consider the effect of licensing laws and look at a much bigger picture. I hope we can do so in the autumn. We should consider trying to create a more — dare I say — European or cosmopolitan culture of alcohol consumption. I agreed with the failed initiative on café bars of former Minister for Justice, Equality and Law Reform, Michael McDowell, who suggested liberalising the licensing regime to ensure places that sold food could also sell alcohol for longer durations. This would encourage smaller venues to open. I take on board Senator Ó Murchú's point on B&Bs. It would be welcome if small family-run establishments were allowed to serve alcohol in a civilised fashion, such that they would be very much in control of who was consuming on their premises. This would be preferable to the current approach.

It is regrettable that this legislation does not adopt alternative approaches and instead provides for tokenistic closure. I have spoken with representatives from the nightclub industry, for whom I hold no brief. As one who used to frequent nightclubs before having babies, I can comment from a punter's perspective on the rolling back of closing times, particularly on Sunday nights. At present, those premises with theatre licences and special exemptions can open until 2.30 a.m. on Sunday night. This is not a night on which many of us choose to go out but it is sometimes the only night on which many of those in the service industry, particularly staff in restaurants, hotels and bars, can go out. It is important that clubs can stay open until 2.30 a.m. and I will table an amendment to this effect.

These are only piecemeal issues as the main issue concerns trying to provide sequential closing times to address public disorder and create the more cosmopolitan culture of which I speak. It is time we considered more genuine reform of the rule that requires nightclubs to operate with unsuitable theatre licences. We need to introduce a nightclub licence of the sort debated in the Dáil.

When we introduce legislation such as this in the absence of more thorough reform of licensing and a more comprehensive address of the problems associated with drink culture, we risk being seen as nanny-state legislators. We are really trying to ensure people will behave in an adult and civilised fashion when consuming alcohol. If clubbers and those who frequent pubs are being treated like children, they will not be able to behave as adults. We need to address this very fundamental issue when addressing licensing laws. I welcome the opportunity for further debate on this.

Senator Paudie Coffey: The legislation has been discussed at length in both Houses. Many contributors have referred to a similar theme, namely, the culture associated with the alcohol industry. As a nation, we recognise we are fond of the drink. This stems from the fact that, over generations, the pub was the only place people used to go after baptisms, Holy Communions, Confirmation ceremonies and matches. This has contributed to the view that alcohol consumption is the acceptable social response to any occasion for celebration. This is a sad reflection on our society and it is time we moved on.

As legislators, we are given responsibility to legislate for a modern, responsible society. Alcohol contributes significantly to depression and mental illness. Members have referred to this in various debates and Senator Mary White even mentions it in her document on suicide. Friends of mine died of suicide and were heavily intoxicated at the time. This is sad to say but there is no doubt but that the alcohol played a major part, and this is even acknowledged by the families.

[Senator Paudie Coffey.]

More can be done in the field of education to promote moderation and responsibility in the consumption of alcohol. I am not sure the legislation before the House will address this. Will it create a pressure cooker phenomenon whereby people will start to buy extra rounds as closing time approaches? If so, a binge drinking culture will be created. We should try to curb that. In other countries, both in the European Union and further afield, people seem to have a more moderate approach to drinking. They can enter and leave licensed premises without time restrictions and do not seem to engage in the sort of disorderly behaviour we seem to have on our streets late at night when nightclubs are closing.

I was taken aback by the amount of contact I had from young people on this issue. They are not looking for more drink. If they want more, they can get it in the off-licences. Many are doing this already and the publicans will confirm they have lost much trade to the off-licences. Senator Ó Murchú and others referred to consumers buying six-packs on special offers and going to one another's houses, wherein they can have as much drink as they want. The young people who are contacting legislators are making the different and very valid point that if a closing time restriction is put in place, as proposed in the Bill, we will again create a pressure-cooker phenomenon on the streets. All the people will be pushed out at the one time. Fast food outlets overflow as a consequence of such policies and taxi drivers and the public transport system cannot deal with the demands put on them, which in turn create very unstable circumstances late at night. Parents then worry about how their kids will get home and this is the reality.

Some Senators state they are not familiar with the nightclub scene. It would be no harm if some of them checked out what the major cities and towns are like at 2.30 a.m. There is chaos and I am sure the Minister of State is aware of it. Fine Gael is proposing sequential closing hours, which would relieve the pressure on staff in food outlets and the transport sector and afford parents comfort in bringing home their children safely. Sequential closing hours would prevent crowds from converging in pressurised circumstances.

It is sad we are not listening to the young people. We often hear how they are disengaging from politics but they have engaged with politicians on this issue. We saw their demonstration in front of Leinster House last week and it provided some welcome colour and music. At least the young know we are here and are working but they want responses once they engage with us. They are not getting them on this occasion and this is a sad reflection on us as legislators. We should listen to the people, who are making very valid points. We are not seeking that doors be left open day and night just to provide drink but ways of providing adequate responses to the challenges that exist, especially in respect of public disorder.

Senators referred to the sale of alcopops. We do not realise their impact on the drinking culture of young people. I am one of the people who like to give the young responsibility and treat them with the respect they deserve as young adults but I realise alcopops are making it very easy for them to become hooked on drinking. I did not drink until I was nearly 23 but can always remember my first taste of a drink. It was very bitter and I did not like it. Now youths are tasting alcopops at the very young ages of 14, 15 and 16 and find they taste like summer drinks. They are drinking them and getting hooked on them because they are easy to consume and easy to obtain. These sweet drinks are creating a new culture of binge drinking and this is a serious issue we as legislators should consider.

We could really make inroads in this area if we concentrated on it. I hope we will have further opportunities to debate this in the months and years ahead, but I hope they will arise sooner rather than later. Members have a responsibility to create a moderate and responsible society that can drink alcohol in a mature fashion without causing chaos. Everyone has a role

to play in this regard. I ask the Minister of State to take on board the concerns I have raised. While one could talk at greater length about other issues, I have identified areas that require attention with regard to alcohol and were they to be addressed, inroads would be made in the fight against binge and under age drinking and similar activities.

Senator John Paul Phelan: I welcome the Minister of State, Deputy John Moloney, and his officials to the House. I concur with many of the previous speakers. Although I missed much of the debate, I listened to the last few minutes in which a great deal of sense was spoken. One of Senator Coffey's concluding remarks made mention of advertising and alcopops. I understand proposals are in gestation at present to review the entire subject of alcohol advertising. I have discussed this matter previously and it should be reviewed. Similarly, alcohol sponsorship at sporting events should be reviewed. While I used to believe that such sponsorship should continue, I now consider a different stance should be taken.

Ireland has a problem in respect of the abuse of alcohol. I do not suggest everyone has such a problem as the majority of people do not. Some people, however, have a significant problem and this must be addressed. The Minister of State is familiar with this issue, given his family involvement in the pub business and he is familiar with the difficulties that arise from the abuse of alcohol. I will preface my remarks by stating I am not a killjoy.

8 o'clock

However, I concur with Senator Coffey's remarks regarding alcopops and have come to believe they should be banned outright because it is just like drinking lemonade. When I was younger, I was put off alcohol because I did not believe it tasted nice at the time. I may have moderated my view in this regard subsequently. However, alcopops are easily consumed and in some cases are targeted at extremely young people, including, I believe, under age drinkers. Recently, a former Member of this House, my colleague, Deputy Ulick Burke, presented me with a promotional pack from a UK-based company that sold alcohol in small sachets as a direct marketing product. It was directed at young people and it did not matter whether they were under or over the age at which one is allowed to consume alcohol. Serious work must be done in this regard.

I join with Members who have expressed concern regarding the rushed nature of this legislation. While the summer recess is approaching, it could have been staggered better, for want of a better term, in respect of Members' proposed amendments to the Bill. I also intend to touch on a number of issues. I have rarely, if ever, received a greater number of representations on any Bill during my time in the Oireachtas than was the case for this Bill. I am sure other Members are in the same boat. Senator Bacik is correct to note there is a danger, in the midst of this discussion regarding licensing laws, of bashing young people and Members should try to avoid this. However, I join my colleagues who expressed concern and regret that the legislation will change the opening hours for midweek and weekend nights, apart from Sundays. Moreover, it will limit opening hours on Sunday and on Saturday and Friday to 1 a.m. and 2.30 a.m., respectively. This constitutes a step backwards. From a public order perspective it is obvious that in any given town nationwide, the time at which nightclubs close and people disperse onto the streets is most dangerous and is the time at which one is most likely to see trouble on the streets. The proposal to oblige all nightclubs to close their doors on a Saturday night at 2.30 a.m. will worsen that problem. I urge the Minister of State to revisit the opening hours issue.

I also fail to understand the distinction that has been made between Friday and Saturday nights and Sunday nights. I have been contacted by a number of people who are involved in the business and a number of nightclubs, particularly in this city, cater on a Sunday night to people who work hours that do not allow them to have a drink on a Friday or Saturday night because they work on Saturdays or Sundays but who are in a position to go out on a Sunday

[Senator John Paul Phelan.]

evening. I do not see the point in that change either and urge the Minister of State to consider that aspect of the legislation as well.

Another matter that was brought to my attention in a number of e-mails I received concerns the licensing laws pertaining to nightclubs. There is a loophole regarding theatre licences at present. While I am open to correction by the Minister of State, I am led to believe that the licensing laws pertaining to nightclubs date from the Public Dance Halls Act 1935. Although I do not have an intimate knowledge of its contents, I imagine it now is a seriously outdated item of legislation, as drinking practices and the format of society has changed greatly since 1935. Serious measures must be taken in respect of nightclub licensing, rather than depending, as is the case at present, on an Act from 1935.

Much of this Bill is to be welcomed and I have no problem with most of it. While I do not wish to profess any massive knowledge of the industry, I have attended a good number of nightclubs in my time and the problem I have seen building up is what Senator Coffey referred to as the pressure cooker effect. Everyone will be aware that closing time is due to take place in half an hour's time, which results in bulk-buying of alcohol. I fail to perceive how a closing time of 2.30 a.m. will reduce under age or binge drinking because a huge proliferation of outlets sell alcohol. I refer in particular to off-licences, garages and a number of facilities that sell alcohol across the board. Changes are in gestation in respect of those outlets. In a nightclub or pub, a person is at least under supervision in his or her consumption of alcohol. This is a more positive position to be in than to be drinking excessively at home or in a ditch in a field on the outskirts of a town. I urge the Minister of State to consider some of the points made before Committee Stage.

Minister of State at the Department of Health and Children (Deputy John Moloney): I did not realise I would be coming into the Seanad until approximately one hour ago. I have heard most of the points raised by Members and broadly speaking, they are in agreement. I take into account some of the points made regarding the rushed nature of the legislation. In response, I note it is interim legislation. While it is quite ambitious, this matter must be dealt with right now. I take the points made by Senators John Paul Phelan and Coffey and I wish to comment on a number of issues.

At the outset, I must state that I had an interest in the industry. While I am long-departed from it, nevertheless I built up experience over the years. I have made the point consistently that alcohol legislation requires radical change. I had the experience of being a member of the Oireachtas Joint Committee on Health and Children for some time, which commissioned a report on the high levels of suicide in Ireland. More importantly, the report considered the linkages between alcohol consumption and high suicide incidence and demonstrated that in each European country, a rise in alcohol consumption was paralleled by a rise in suicide. In itself, this necessitates an early examination of the laws and regulations pertaining to alcohol. It also is fair to point out the recommendations of the Oireachtas Joint Committee on Health and Children made it quite clear that this was an issue, particularly as approximately 450 people take their lives by suicide. Consequently, I welcome this Bill.

I am glad the legislation deals with alcohol related harm and also issues of public disorder. Senator Twomey made a point about the evolving change in the licensing laws over the years. He clearly made the point that not too long ago we had the holy hour. That, in itself, shows the changing pattern of the availability of alcohol. I recall some years before that the nonsense in the early 1960s, so laughable in this day and age, referred to then as the bona fide laws where somebody would have to travel three miles to purchase alcohol. In my home town

cyclists would travel from Mountmellick to Rosenallis and meet the Rosenallis lads travelling back to Mountmellick. All over the decades the pattern of availability has changed.

The issue now is the total availability, which is something that we have tried to deal with. It is important that even though this is interim legislation, nevertheless it goes on to deal with that. It is also important to note that the Government's alcohol advisory group made its recommendation shortly after Easter. All in all, it is a matter of an open discussion on the issue of alcohol availability, the side effects of the issue of public order and how we come up with ways and means of dealing with all of this.

I take the point made by Senator Bacik that during the lead-up to the debate there have been ongoing talks with the alcohol industry, some organisations totally opposed to the availability of alcohol, the vintners' groups and those who clearly do not want the effects of a nanny state imposed on them.

It is important not to rush to legislation. At the same time it is important to put down a marker that the issue will be dealt with but, more importantly, to state that we cannot continue with the level of easy availability. The point made about alco-pops was that the campaign is toward easy availability by way of having sweet-tasting alcohol. All of that shows the nature of the industry in terms of targeting the drinking habits of the very young.

One of the areas I am particularly interested is how we come to deal with the issue of the advertising of alcohol. I am glad that Senator Twomey made the point that the rural or smaller pub cannot be given the same consideration as the nightclub. No publican wants his house to be considered a house of easy availability. It would do no publican any good if his name was associated either with underage drinking or easy availability. Even though it is the one product, we must devise ways and means of separating the type of distribution outlet. That is the challenge for the new more comprehensive legislation.

It is simply not possible, however, within the tight time frame in which we are working to accommodate in this Bill the many proposals and suggestions which have been made during the contributions of Senators. While this is an ambitious Bill it is also an interim measure. I hope that Senators would not feel that it is not going far enough or is rushed. The main matter to consider here is that it is an interim measure.

The Government legislative programme provides for publication of a comprehensive sale of alcohol Bill later this year and this will provide the opportunity for a more thorough discussion of the role of alcohol in our society and, more importantly, how to regulate its sale while, at the same time, protecting the vulnerable groups. This Bill will modernise and streamline all the licensing laws by repealing the Licensing Acts 1833 to 2004 and replacing them with a single updated statute. The law makers, the Garda and the industry welcome that there will be one statute rather than a gamut of legislation dating over 70 years.

Research published by the Health Research Board indicates that alcohol consumption in Ireland increased by 17% between 1995 and 2006. In the report published by the Joint Committee on Health and Children, we correlated the rise in alcohol consumption and the incidence of depressive illnesses and suicide. It is important that we take that into consideration in the main legislation.

The resulting public disorder and health-related harm cannot be ignored or tolerated. While I generally accept the points made about the need for a change of culture regarding alcohol, I nevertheless believe that Government has a responsibility to ensure that licensing law and public order legislation are sufficiently robust to address these problems in an effective manner. That is the purpose of this interim Bill.

[Deputy John Moloney.]

Parents also have responsibilities regarding their children, nor can we overlook the need for personal responsibility and the example that we, as adults, give to our children. I gather Senators are broadly supportive of the Bill. They made a number of detailed points which need to be clarified on Committee Stage and it is fair to give a commitment that they should be.

In the meantime, I want to take the opportunity to clarify a few points. As regards wine off-licences, section 6 provides that the requirement to obtain a District Court certificate will only apply to new applications made after the commencement of the section. The same applies to the new grounds for objection set out in section 7. In short, existing licences are not affected by the proposed changes.

With regard to the issue of the renewal of wine off-licences, the current legal position under the Intoxicating Liquor Act 2000 is that an objection may be made to such renewal on stated grounds. Where an objection to renewal is made, a District Court certificate is required. That is the position under existing law and it will not change under the Bill.

The question of whether a temporary closure order applies to the entire premises or a part only has been raised following publication of the Bill. Under existing law, the District Court may make an order for the closure of the premises or any part thereof. The extent and duration of closure orders are, therefore, matters for the court to determine and the only change proposed in the Bill is that the minimum closure period will in future be two days.

I take the point made on the staggering of closing times — that is a word that needs to be changed. This was mentioned in several contributions. The Bill proposes no change whatever in the duration of special exemption orders. Under the Intoxicating Liquor Act 2000, it will remain the case that special exemption orders expire at 2.30 a.m., and 1.00 a.m. on Sunday night-Monday morning. The Government's alcohol advisory group had recommended that 2.30 a.m. be brought forward to 2 a.m. but this was not accepted by the Minister or Government.

Recently, certain late-night venues, including some nightclubs and late bars, have sought to exploit a loophole which has opened up as a result of a High Court decision on theatre licences last year. This was referred to by Senator Labhrás Ó Murchú. The result has been a proliferation of theatre licences and a resulting circumvention of the special exemption order provisions. The proposals in the Bill will mean that this loophole, which is being unfairly exploited by some operators will be closed, and this will restore fair competition between all late night venues.

Alcohol promotions and price discounts cause considerable concern among advisory groups. As regards special promotions involving reduced prices and discounts, the advisory group acknowledged in its report that the increased affordability of alcohol is a result not only of reduced prices but also the increased disposable income levels that have resulted from the rapid economic progress and prosperity of recent years. The advisory group was satisfied, however, that the price at which alcohol is sold remains an important influence on purchasing patterns and that lower alcohol prices are being used as a means to attract customers. The group also concluded that reduced prices are being used to attract customers in the expectation that they will purchase other products as well as alcohol once inside the premises.

Section 16 provides for the making of future regulations prohibiting or restricting the advertising or promoting the sale or supply of alcohol at a reduced price, or free of charge, on the purchase of any quantity of alcohol or any other product or service. There is a broad definition of "reduced price" in subsection (6) which encompasses the award of bonus points, loyalty card points or other indirect benefits.

Preparatory work has commenced on the drafting of these regulations. In view of their potential impact on the EU internal market rules, it will be necessary to submit the proposed regulations in draft form to the European Commission for clearance. I do not foresee any

specific difficulties with implementing such regulations at this stage but failure to follow specified procedures could lead to a legal challenge and the subsequent striking down of regulations on technical grounds.

On the issue of public order provisions, Senators from all sides of the House gave a favourable response to the proposals in the Bill that are aimed at tackling the public order problems associated with excessive alcohol consumption. It is fair to say we do not see this issue arising in rural pubs. There is a recognition that such consumption leads to severe public order problems. Apart from the upset and annoyance this causes to the public in general, it places the Garda under serious pressure. The proposals for the seizure of alcohol will be easier to enforce and will be effective in pre-empting and preventing public order offences being committed.

On the seizure of alcohol, I emphasise that the new powers to seize alcohol either in the case of persons under 18 years or from persons causing or likely to cause annoyance or a breach of the peace can be used even in the case where an offence has not been committed. These new powers are designed primarily to pre-empt and prevent the commission of an offence. The Garda will continue to have a wide variety of powers to deal with offences, but this new set of powers will add significantly to the range of options on which the Garda relies.

I thank all those who contributed to the debate. The Minister for Justice, Equality and Law Reform and his Department have taken note of all the points made. While it might not be possible to have regard to all of these points in this Bill, the Minister will consider them in the context of the Sale of Alcohol Bill he intends to bring forward in due course.

Senator Eugene Regan: I oppose the Bill on Second Stage on the basis that the procedure and the Bill is flawed.

Question put.

The Seanad divided: Tá, 24; Níl, 14.

Tá

Boyle, Dan.
Brady, Martin.
Butler, Larry.
Callely, Ivor.
Carty, John.
Cassidy, Donie.
Corrigan, Maria.
Daly, Mark.
Ellis, John.
Hanafin, John.
Keaveney, Cecilia.
Leyden, Terry.

MacSharry, Marc.
McDonald, Lisa.
Ó Domhnaill, Brian.
Ó Murchú, Labhrás.
O'Brien, Francis.
O'Donovan, Denis.
O'Malley, Fiona.
O'Sullivan, Ned.
Ormonde, Ann.
Phelan, Kieran.
Walsh, Jim.
Wilson, Diarmuid.

Níl

Bacik, Ivana.
Burke, Paddy.
Buttimer, Jerry.
Coffey, Paudie.
Cummins, Maurice.
Fitzgerald, Frances.
Hannigan, Dominic.

McFadden, Nicky.
Mullen, Rónán.
Phelan, John Paul.
Prendergast, Phil.
Regan, Eugene.
Ross, Shane.
Twomey, Liam.

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

Question declared carried.

An Cathaoirleach: When is it proposed to take Committee Stage?

Senator Donie Cassidy: Tomorrow.

An Cathaoirleach: Is that agreed? Agreed.

Senator Maurice Cummins: At what time will that be?

An Cathaoirleach: That is a matter for tomorrow's Order of Business.

Senator Donie Cassidy: It will be after the Order of Business.

An Cathaoirleach: When is it proposed to sit again?

Senator Donie Cassidy: At 10.30 a.m. amárach.

Sitting suspended at 8.40 p.m. and resumed at 8.50 p.m.

Adjournment Matters.

Physical Education Facilities.

Senator Paddy Burke: I thank the Cathaoirleach for allowing this motion on the Adjournment and welcome the Minister of State at the Department of Education and Science, Deputy Conor Lenihan, to the House. For ten years, the case has been made for the construction of a sports hall at Davitt College in Castlebar. It is ridiculous that a sports hall which will cost only a couple of million euro has been announced three or four times. Ministers, Deputies, a Senator and local councillors announced the project would proceed prior to the most recent local elections and the two previous general elections. I ask the Minister of State to outline the current position regarding the extension.

If the project is not approved, I fear there will be consequences when the term commences in September. Staff are at their wits' end and students are at an unfair disadvantage compared to other colleges in that they do not have a sports hall. The poor weather of recent years is a further consideration. The principal and teaching staff at Davitt College do a marvellous job. I hope the Minister of State bears good news and will not do as several of his predecessors have done and make an announcement for political purposes.

Minister of State at the Department of Education and Science (Deputy Conor Lenihan): Senator Paddy Burke is an intelligent man whom I do not propose to lead astray. He and his party will be aware that significant adjustments are being made to public expenditure.

I thank the Senator for giving me the opportunity of outlining to the Seanad the position of the Department of Education and Science regarding the provision of a new physical education hall for Davitt College, Castlebar, County Mayo. The proposed new PE hall project is at an advanced stage of architectural planning and a tender report for the project is under examination by the Department.

As the Minister for Education and Science, Deputy Batt O'Keeffe, has explained to the House previously, all applications for large-scale capital funding are assessed in the Department against published prioritisation. Each project is assigned a band rating under these criteria

which reflects the type of works required and the urgency attaching to them. A band 4.1 rating has been assigned to the project for Davitt College.

Unfortunately, the Minister is not in a position to approve further school building projects, including that for Davitt College, at the present time. As previously indicated, he will not make any decision on further capital expenditure until he has completed the current review of the Department's spending plans for 2008. While the Minister understands that some schools will be disappointed that their projects will not proceed as quickly as they may have hoped, it would be disingenuous of him to create an impression to the contrary.

The Senator will appreciate the Minister must manage his Department's capital budget in a responsible manner and, in so doing, ensure funding is targeted at schools most in need. For this reason, the Department introduced prioritisation criteria for large-scale building projects, which were formulated following consultation with the education partners. Thousands of building projects were carried out under the previous national development plan to provide new and modernised educational infrastructure and thousands more will be carried out under the new NDP. However, there must be an order as to how these projects proceed and a realisation that not all building projects can proceed together.

The extent of the demand on the capital budget is considerable, providing, as it does, accommodation for new communities together with accommodation for the unprecedented number of extra teachers the Government has put into the system. We must also modernise much of the existing stock as a result of historical under investment in it. This task will not be completed overnight. However, major inroads have been made and the Government will continue to build on the success of the previous national development plan which delivered more than 7,800 building projects. As I stated, this must be done in an orderly and planned manner and on the basis of the most pressing need.

Projects will be advanced incrementally through the system over time, consistent with the priority attaching to them. This approach is critical to ensuring schools know their individual projects will be allowed to proceed in order of priority as and when funding allows. Equally, this position applies to the delivery of the project in Davitt College and is consistent with the overall approach of the Department's schools building programme. I thank the Senator again for affording me the opportunity to outline the current position regarding Davitt College.

Senator Paddy Burke: I thank the Minister of State for his reply. It is a pity the previous Minister for Education and Science misled the staff and students of Davitt College. Will the Minister of State explain the band rating system?

Deputy Conor Lenihan: The band rating of the project in Davitt College is 4.1.

Senator Paddy Burke: Where do band ratings start?

Deputy Conor Lenihan: Band ratings ascend in order from band 1. Schools with band 1 ratings have priority and are close to construction, possibly even at the design stage. My officials will communicate with the Senator regarding the details of the band rating system, which are also available on the Department's website. It is a fully transparent process.

As Senator Burke will be aware, a significant reappraisal of public expenditure is under way in the Department. To be fair to the Minister, who is new to office, he has made clear he will not make any commitments and projects on which commitments have been given, even those with a high priority, including schools with a higher priority than Davitt College, will not be given approval until the current review has been completed. He will wait until September before giving full clarity on which building projects will proceed and which will, of necessity, be stalled due to current economic circumstances.

Schools Building Projects.

Senator Diarmuid Wilson: I thank the Cathaoirleach for allowing this matter to be raised on the Adjournment and welcome the Minister of State, Deputy Conor Lenihan, to the House. My colleague, Senator Joe O'Reilly, regrets that he cannot be present to participate in the discussion on this matter.

St. Killian's national school, Mullagh, County Cavan, was authorised on 8 November 2006 to commence architectural planning with immediate effect. With the Cathaoirleach's permission, I propose to cite a letter received by my constituency colleague, the Minister for Agriculture, Fisheries and Food, Deputy Brendan Smith, from the then Minister for Education and Science, Deputy Mary Hanafin, on 8 November 2006. The letter informs Deputy Smith that the project relating to St. Killian's "will be authorised to commence architectural planning with immediate effect". It also states that the Minister for Education and Science was aware of Deputy Smith's concern about the project and outlines her hope that the news conveyed would be of significant benefit to the whole school community. It further states "The building unit of my Department will be in contact directly with the school shortly to outline how the project will progress."

Some 20 months have elapsed and no progress has been made. On 7 February of this year, the principal of the school, Mr. Ronan McNamara, was informed by a departmental official that every proposal for school buildings will be reviewed in the context of the Department's multi-annual school building and modernisation programme. Information on when this review might take place and when schools — particularly St. Killian's — might be informed of the outcome is still not available.

St. Killian's national school continues to grow. There were 98 pupils on the roll in 2000. In September, some 324 pupils will be enrolled there, at which point the board of management will have no choice other than to declare the school full. It is not possible for the board to plan for the future of St. Killian's national school when the Department of Education and Science will not inform it with regard to when adequate accommodation will be provided for the community of Mullagh.

Next September, there will be ten teachers housed in temporary accommodation at the school. This will result in the payment of in excess of €120,000 in rent per annum. The school principal Mr. Ronan McNamara sent a letter — dated 22 May 2008 — to the Minister for Education and Science, Deputy Batt O'Keeffe, shortly after his appointment in which he stated:

Space around the school is now at a premium, as I'm sure you will appreciate. The time for vague promises is now over. I, on behalf of the whole school community, call on you as the new Minister for Education and Science, to ensure that real progress is made in moving this project forward. As a starting point we need to know when we will be in a position to put the design team out to tender. I look forward to hearing from you on this matter.

Councillor Shane P. O'Reilly has campaigned vigorously in respect of this issue for some time and he has me full support and the support of the Minister for Agriculture, Fisheries and Food, Deputy Smith. The community at Mullagh deserves a new school and the project relating to it should be progressed without further delay. The Catholic Church has donated a perfect site on which the school will be built. The community at Mullagh is great and will not be found wanting in the context of providing whatever other facilities are necessary.

The Minister for Agriculture, Fisheries and Food has been in contact with the Minister for Education and Science on a weekly basis in respect of it. I urge the Minister of State to ensure that it is progressed as soon as possible.

Deputy Conor Lenihan: I thank Senator Wilson for providing me with the opportunity to outline to the Seanad the position of the Department of Education and Science on the provision of a new school building for St. Killian's national school, Mullagh, County Cavan. The school is currently staffed by a principal, nine mainstream assistants, two developing post teachers, one learning support teacher and one resource teacher and has an enrolment of 292 pupils. It is proposed to construct a new 16-classroom generic repeat design primary school on a green-field site for St. Killian's. The proposed project was included in the Department's announcement of 8 November 2006, which outlined 80 projects that had been approved to commence architectural planning. The next stage in progressing this project is the appointment of a design team.

In recent weeks, the Minister for Education and Science stated both publicly and to the Oireachtas that he is not in a position to give the go ahead for any more school building projects, including that relating to St. Killian's national school. The Minister does not wish to give a false impression to this or any other school in a similar position by making any suggestion to the contrary. He is currently in the process of reviewing, with his officials, the Department's spending plans for this year. That review will not be completed for some time and the Minister will not make any decision on further capital expenditure until the process is complete.

The progression of all large-scale building projects, including that relating to St. Killian's, from initial design stage through to construction is dependent on the prioritisation of competing demands on the funding available under the Department's capital budget. This project will be considered on an ongoing basis in the context of the Department's multi-annual school building and modernisation programme. The Department's building programme for 2008 aims to provide sufficient school places in developing areas, while showing the Government's commitment to delivering improvements in the quality of existing primary and post-primary school accommodation throughout the country.

During the lifetime of the current national development plan, almost €4.5 billion will be invested in school buildings. This is an unprecedented level of capital investment which reflects the commitment of the Government to continue its programme of sustained investment in primary and post-primary schools. This investment will facilitate the provision of new schools and extensions in developing areas and the improvement of existing schools through the provision of replacement buildings, extensions or large scale refurbishment in the coming years. It builds on the delivery of 7,800 projects carried out under the previous national development plan which resulted in the construction of new school buildings and the refurbishment of many existing ones.

Capital projects under the multi-annual building programme cannot all be delivered at the same time so they are selected for inclusion under the school building and modernisation programme on the basis of priority of need. This is reflected in the band rating assigned to projects, which indicates the urgency, type and extent of work required in schools. There are four band ratings overall — this information is also relevant in the context of the matter to which Senator Burke referred earlier — of which band 1 is the highest and band 4 the lowest. Band 1 projects include, for example, the provision of buildings where none currently exist but where there is a high demand for pupil places, while band 4 projects make provision in respect of desirable but not necessarily urgent or essential facilities. The proposed new school building for St. Killian's has been assigned a band rating of 1.1, which is almost the highest that can be achieved.

I give the assurance that the Minister, Deputy Batt O'Keeffe, is committed to providing suitable high-quality accommodation for St. Killian's national school at the earliest possible date. However, in light of tight economic circumstances and with competing demands on the

[Deputy Conor Lenihan.]

capital budget of the Department it is not possible to give an indicative time frame for the progression of the project. I assure the Senator, however, that the Minister is as keen as the school community to progress the project as soon as the necessary funding becomes available.

The band rating of 1.1 should offer some reassurance to all concerned. However, the straitened economic circumstances in which we find ourselves have led the Minister to conduct a thorough review of spending in the context of the capital funding available to him. I suspect he will clarify the position in September.

Senator Diarmuid Wilson: I thank the Minister of State for his reply. As the band rating indicates, this is an urgent project. I implore the Minister of State to try, in conjunction with the Minister, Deputy Batt O'Keeffe, to progress it as soon as possible. The enrolment at the school in September will be 324. I assure the Minister of State that the Minister for Agriculture, Fisheries and Food, Deputy Smith, and I will continue to exert pressure on the Department to ensure that this worthwhile project is progressed.

Deputy Conor Lenihan: As Minister of State at the Department of Education and Science, I assure the Senator that I will bring the matter directly to the attention of the Minister, Deputy Batt O'Keeffe. I hope that following the capital evaluation the project will be included for commencement.

Radio Broadcasting.

Senator Shane Ross: This matter relates to the need for the Minister for Communications, Energy and Natural Resources to ensure that RTE's FM service is received all over Northern Ireland, thereby enabling residents of that jurisdiction to access RTE. The Minister of State will be well aware that this issue does not divide but rather unites the communities in Northern Ireland. It is a non-denominational matter, in respect of which people in both communities felt aggrieved for much of the past year.

The problem is simple. On 24 March RTE decided to axe its medium wave service, which could be received in Northern Ireland. It was a very strange decision for a public service broadcaster because it appears the public service mandate of RTE only runs as far as the Border. I am sure it will not surprise the Minister of State to hear that there is a large number of people living in Northern Ireland who do not necessarily depend on RTE for their news but who enjoy it. That also applies to people in the United Kingdom.

The decision to axe medium wave was inexplicable. The response from RTE was that it was switched to FM and that is perfectly adequate for every citizen in this part of Ireland. Unfortunately, FM does not reach every pocket in Northern Ireland. I have constituents there and have received complaints from rural and urban constituents that they can no longer receive RTE because of this extraordinary decision. It appears RTE also has plans to resolve this but, in the meantime, those plans have not been fulfilled and there are still many people in Northern Ireland who feel very frustrated.

It should be pointed out to the Minister that the Good Friday Agreement includes a great deal of verbal respect for all traditions in Northern Ireland receiving equal information and parity of esteem. Not providing this information appears to be discrimination against all the citizens of that part of Ireland.

Will the Minister of State convey to the relevant Minister the news that there is a great deal of discontent there and ask him to take measures as soon as possible which will not cost a great deal of money for vulnerable people? Much of this affects older people, especially in rural areas which FM does not reach. They should not have accept the solution suggested by techni-

cal people which is to get a Sky Box because it is complicated for those who do not understand it and it is expensive.

RTE must decide whether it has a public service mandate which extends across the Border or whether it is Twenty-six Counties public service or a Thirty-two Counties one. It appears it has made a decision which discriminates against certain people who live on the same island as we do.

Deputy Conor Lenihan: I am sure it will come as no surprise to Senator Ross that, notwithstanding the Good Friday Agreement, the preamble to the Constitution still defines the nation as being a Thirty-two Counties one, incorporating the entire island of Ireland. I am sure that will be of enormous reassurance to him and to many of his voters in Northern Ireland.

RTE's mandate to provide radio and television services is defined in section 28(1) of the Broadcasting Act 2001. This Act states that the national television and sound broadcasting services required to be maintained by RTE shall have the character of a public service, continue to be a free-to-air service and to be made available, in so far as is reasonably practicable, to the whole community on the island of Ireland.

Radio services are currently provided over a wide range of media — over radio, on long wave 252 and in the FM band, over Sky Satellite and over the Internet. Long wave is available throughout Northern Ireland. The long wave 252 transmitter, which is based in Summerhill County Meath, broadcasts RTE Radio 1 on a single frequency throughout Ireland. Long wave signals travel over very long distances and so a single transmitting station is sufficient to provide coverage throughout Ireland.

In 2006-07, RTE replaced its long wave transmitter with a more efficient model. As well as providing an improved analogue service, the new transmitter is capable of being upgraded to a digital service in the future. For the listener, analogue long wave radio sets are widely available and quite inexpensive. Prices start from as low as approximately €8.

In 2007, RTE closed its medium wave transmitters. Medium wave was also used by listeners throughout Northern Ireland for reception of RTE Radio 1 but the transmitters were inefficient and expensive to operate. The new long wave transmitter has replaced this service and continues to provide radio coverage of Radio 1, or Radio Éireann, as it used to be known, throughout Northern Ireland.

FM radio offers superior quality to long wave or medium wave radio. However, radio in the FM band is suitable for coverage over short distances only and cannot be received in certain areas in Northern Ireland. Coverage of RTE FM in Northern Ireland is achieved through overspill of the RTE signals from the radio transmitter sites closest to the Border. Locations in Northern Ireland which are furthest from these sites cannot receive FM coverage. In this regard, FM is not suitable for all island reception of RTE.

It is possible to optimise coverage into Northern Ireland in the FM band. Last year, after the closure of the medium wave transmitters, RTE made some changes to its FM services around the Border to enhance coverage of RTE Radio 1 in the Belfast area. RTE Radio 1 can now be received in Belfast in the FM band. In regard to satellite, Sky carries all four radio channels serving listeners on satellite throughout Ireland, Great Britain and on the Continent.

RTE is also planning to use an alternative satellite option — freesat — to provide access to both an international television service and to the RTE radio services. The coverage provided by freesat will be the same as the existing Sky satellite but freesat is not a subscription service. Its users will pay only the once-off costs of a dish and a set-top receiver. This is an important step forward for both television and radio audiences. It will provide television service and extend the availability of radio at a cost which is both reasonable and non-recurring.

[Deputy Conor Lenihan.]

No single transmission system can meet the needs of all Irish listeners across the island of Ireland. Constraints, such as technical limitations and international regulatory agreements, need to be considered here. Listeners should not be limited to using a particular means of accessing radio content. Irish listeners have embraced advances in technology. Access to broadcasting services over the Internet and satellite continues to grow in popularity.

That is why it is necessary to look to other forms of distribution such as satellite and the Internet where RTE has developed its services significantly in recent years. Before the year's end, freesat will mark another stage of progress and provide additional choice for listeners in both Northern Ireland and the UK.

Senator Shane Ross: The Minister of State's response was comprehensive. Am I correct in saying that everybody in Northern Ireland can receive RTE provided they are prepared to spend the money to do so?

Deputy Conor Lenihan: They can do so. A radio, which can operate on the long wave frequency, can be bought for as little as €8. The good news is that the Clarkstown 252 transmitter in Summerhill is being enhanced in terms of its quality and ability. It has always had the ability to be received throughout the island of Ireland and further afield.

Senator Shane Ross: I thank the Minister of State who would have been better without a script.

The Seanad adjourned at 9.20 p.m. until 10.30 a.m. on Thursday, 10 July 2008.