

SEANAD ÉIREANN

Dé Céadaoin, 12 Samhain 2008.
Wednesday, 12 November 2008.

Chuaigh an Cathaoirleach i gceannas ar 10.30 a.m.

Paidir.
Prayer.

Business of Seanad.

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

The need for the Minister for Health and Children to address the Competition Act 2002 in regard to Irish dental practitioners.

I have also received notice from Senator Ned O’Sullivan of the following matter:

The need for the Minister for Transport to give an update on the provision of a new bridge at Ballinagar, Lixnaw, County Kerry.

I regard the matters raised by the Senators as suitable for discussion on the Adjournment and they will be taken at the conclusion of business.

Order of Business.

Senator Donie Cassidy: The Order of Business is No. 1, statements on the fishing industry, to be taken at the conclusion of the Order of Business and to conclude not later than 2.30 p.m., with spokespersons having ten minutes, all other Senators seven minutes, on which Senators may share time by agreement of the House, and the Minister to be called upon ten minutes from the conclusion of the debate for concluding comments and to take questions from leaders or spokespersons; No. 2, statements on the Criminal Assets Bureau annual report 2007, to commence not earlier than 3 p.m. and to conclude not later than 5 p.m., with spokespersons having ten minutes, all other Senators seven minutes, on which Senators may share time by agreement of the House, and the Minister to be called upon ten minutes from the conclusion of the debate for concluding comments and to take questions from spokespersons or leaders; and No. 26, motion 24 re agricultural issues, to be taken at 5 p.m. and to conclude not later than 7 p.m. if not previously concluded. The business of the House will be interrupted between 2.30 p.m. and 3 p.m.

Senator Liam Twomey: Will the Leader ask the Minister for Foreign Affairs to explain to this House the reason the Irish media were silenced at a press conference given in the Department of Foreign Affairs yesterday? Just because President Klaus does not agree with the views of Government is no reason the Irish media should have been gagged at that press conference. That action has made us look even more foolish in the eyes of Europe than what it set out to

[Senator Liam Twomey.]

achieve. I ask the Leader to make inquiries whether there was some reason for the Department of Foreign Affairs or the Minister to gag the Irish media, and to report back to the House. It sounded very petty.

In the 12 years since Veronica Guerin was murdered, organised crime has become more organised, more powerful and more violent. We constantly call for debates in this House on the issue. We should have a debate on the solutions to the issue. We will have statements later today on the Criminal Assets Bureau. Organised crime is basically about business and money. We can debate all the different reasons for organised crime but I seek a debate on the solutions. Some people say the cause is deprivation in some parts of the country. Others advocate shooting all the individuals concerned. We should have a proper debate in the House purely on the solutions, whatever they are, not on the causes. We know what the causes are and we should debate the solutions.

Will the Leader ask the Minister for Finance about a very specific issue that we should debate? It concerns the question of obtaining primary medical certificates for people with disabilities. A most unusual case I encountered this week concerns an individual who has no power in one hand due to a very traumatic road traffic accident but who was told he is not disabled enough to obtain a primary medical certificate in respect of driving. If he had lost his hand, if he had it amputated, he would have been considered for a certificate, but given that he has his hand, albeit with no power, he is not considered for the certificate. Many problems have arisen in respect of this issue in recent years and I would like the Leader to facilitate a debate thereon in the House.

Senator Joe O'Toole: I reiterate the point made yesterday on the lack of legislation in the House this week. If that is to continue, we should be allowed additional Private Members' time.

Senator David Norris: Hear, hear.

Senator Joe O'Toole: We can certainly raise issues for debate in the House. The acting leader of the Opposition stated we could be discussing today positive proposals on the legislative changes required to deal with the Limerick issue and others. We can certainly do that. If business is so light in the Seanad with no legislation coming through, we should look to this side of the House for matters for discussion and in those circumstances there should be an increase in Private Members' time.

The Leader promised me two and a half weeks ago that he would allow time for a debate on the education cuts but that debate has not yet taken place. It is interesting that the issue of radon gas has become more important than dealing with education, despite the fact that the Minister for Education has gone back on his tracks. After promising the world there would be only 200 job losses in education, we are now told there will be 1,000. How can we have confidence in somebody who does not know the difference between 200 and 1,000? Those cuts are just in respect of one area. We need to ask questions to the Minister and hear the answers. That is the only honest approach. The Minister is backing off and does not want to talk about these matters.

I thoroughly support the view that the Government should have more to do than protecting the President of the Czech Republic, Václav Klaus, from the Irish media. The more we hear about him, the better it is for all of us. The Government was very light in its criticism to the effect that it was inappropriate of Mr. Klaus to act as he did. It is the essence of irony that a man who claims the European Union interferes too much with the work of national governments sees no problem in arriving in a state, as upcoming President of the Union, and interfering with its national policies and issues. Will the Government ask him how he manages to

marry those two positions? We are aware of many of his other daft ideas. I do not deny him his entitlement to be against the Lisbon treaty, that is not the issue, but we have ways of doing business that should be respected.

One reason many of us supported the Lisbon treaty was to ensure our national sovereignty would be protected. Mr. Klaus takes the opposite view and does not recognise any contradiction in coming to Ireland to interfere in respect of a very sensitive issue that is being dealt with by the Irish people and the Government. The Government should take a much stronger line and indicate its absolute disapproval and rejection of the way he has behaved.

Senator Alex White: I disagree profoundly with the position of the President of the Czech Republic but an issue arises in respect of the maturity of the debate thereon. If the President of the Czech Republic states his position in Ireland, surely the way to counter that is through the strength of the arguments against what he is saying rather than suggesting he does not have the right to make his points. I realise Senator O'Toole did not quite say that Mr. Klaus does not have such a right, but it has been suggested that it is outrageous that a foreign leader should come to Ireland and make such points. It is not deemed outrageous, however, if foreign leaders who hold the opposite view come here and make those points. I disagree profoundly with the position taken by the President of the Czech Republic but we have more strength in us to deal with these arguments than to simply suggest that every time somebody such as he opens his mouth, it constitutes interference in our process. The lesson of the Lisbon treaty debate, be it in the media or the political fora, is that those in favour of the treaty missed the opportunity to demonstrate a much more robust and self-confident approach and instead relied excluding views with which they disagreed.

The question of our post office network was raised a number of times in the Chamber in recent months. A very interesting development in the United Kingdom yesterday was that Lord Peter Mandelson stated the UK Government intends to support the development of its post office network. He stated: "We should examine the prospects for the Post Office becoming a much more significant player in financial services." Most of the debate in this Chamber concentrated on the social value of post offices. Developments in recent months, however, regarding trust in the major financial institutions should surely present an opportunity for us to determine whether there is a role for An Post, which has a national network, expertise and a background in retail associated with financial services and which does not have overpaid and over-rated people going around in suits in the back room pretending they are masters of the universe and geniuses in financial management. What is wrong with using and expanding the existing service of An Post and determining whether the organisation can fill the gap that arises from people no longer having trust in the major financial institutions, including the banks? Will the Leader arrange a debate to determine whether we can encourage the Government to expand the role of An Post, arrest its decline and the closure of post offices in rural areas and ascertain whether it can fill the gap that is opening up regarding trust in financial institutions?

An Cathaoirleach: Members who indicated yesterday that they wished to speak on the Order of Business failed to be afforded an opportunity to do so because time did not allow for it. I will call them first, beginning with Senator Callely.

Senator Ivor Callely: I indicated I wished to speak yesterday with a view to joining others in expressing my condolences and sympathies to Mr. Shane Geoghegan's family, fiancée, friends, work and sports colleagues, including the Garryowen Football Club, and the people of Limerick on his awful and tragic murder. The crime was a step too far by gangland scum. Clearly, it is known who is responsible for the murder. We know the gang involved, which is one of two gangs in the area.

[Senator Ivor Callely.]

I support Senator Twomey's point on gangland activity in recent years. A quick reflection on gangland activity indicates a failure by the authorities to stop gangs' criminal ways. This murder should be the catalyst for change in the way we address criminality. I am happy to put on public record my support and that of the public to whom I spoke for any suitable mechanism that will remove these scumbags from our community. The public does not want them to be given any special considerations or rights to this or that, it simply wants them lifted and removed. It is important that I state that in the House because I am hearing it left, right and centre.

Will the Leader raise with the Minister for Foreign Affairs the severity of the sentences imposed on pro-democracy activists by a closed military court in Burma? I am appalled at the severity of the sentence of 65 years which was imposed in each case. However, I am not surprised given the brutal regime that exists in Burma. Some international action is now required against this brutal regime and we cannot allow the innocent activists to face the next 65 years in an inhumane Burmese prison system. I ask the Leader, therefore, to raise this matter with the Minister for Foreign Affairs.

Senator Nicky McFadden: I join my colleagues in sympathising with the family of Shane Geoghegan, members of the Garryowen rugby club and the people of Limerick. I feel most strongly about the 135 people who have lost their lives in recent years. I think of Baiba Saulite and of those poor children who were almost burnt alive in a car in Limerick. I wonder about leadership and whether this Government is providing it.

Yesterday, the Minister for Justice, Equality and Law Reform, Deputy Dermot Ahern, said that every resource would be provided. I am aware, however, that overtime has been cut and Garda radios are so antiquated they have RTE 2FM breaking through. The Garda does not have digital radios. Worst of all, in respect of the attacks on women in Athlone, we have no DNA database. I had a conversation with Kathleen O'Toole, chief inspector of the Garda Síochána inspectorate, who said that such a database was the single most important police tool when she was working in Boston. People's DNA could be taken and the police then had a bank of data which could be used to convict the thugs, as Senator Callely called them. I ask the Leader for a serious debate on methods that might be used to convict. It is an outrage that 12 years is the maximum sentence given to people who commit murder. They are back on the streets within 12 years and this is not long enough or good enough.

Senator Feargal Quinn: Veronica Guerin's death created such an outcry some years ago that we changed the laws to fight organised crime. We did something we had not been willing to do prior to that. I believe the death of Shane Geoghegan will achieve something similar.

Senators Twomey and O'Toole talked about positive proposals. I learned only yesterday about one such possibility. When suspects are being questioned by the Garda, they are told that anything they say may be taken down and used in evidence. That is traditional. Recently, the courts have taken the viewpoint that this warning must be written down in respect of each question and each answer. Therefore, when the Garda question a suspect, they must write down each question and answer before following with the next. This is the case although all interviews are recorded on video and sound. It seems outrageous that the momentum in the interrogation of a suspect is lost and I have difficulty in understanding why the courts have taken this viewpoint. I understand from the Garda that this is the only country that has taken this stance, namely, that because the words "will be taken down and used in evidence" are used, each step must be written down before the next question is asked. The Garda must be frustrated at their inability to question, query and interrogate very prime suspects and that is

one simple situation the Minister should look at immediately and examine what action we must take.

The situation regarding the President of the Czech Republic has been raised today. I got to know Václav Klaus eight years ago, after he was Prime Minister and before he became President. He had very strong views then about the type of Europe he wanted to see and he disagreed with me. I remember the terms he used. He said to me: "I had 40 years of a big brother in Moscow and I do not want to substitute a big brother in Brussels for that big brother in Moscow." I can understand the viewpoint he had. However, when we invite the President of a country, in this case a non-executive President like our own, I am surprised we do not make it clear that if an invitee has views he or she intends to express strongly, accordingly we must take the opportunity to present a balance of views. The Government should have made this clear. I know the man reasonably well and even if that had been made clear to him I believe he would still have gone ahead and said what he did, involving the Lisbon treaty opposition to that extent. There was no balance in the viewpoint expressed. I can understand his views, the strength of them and the reason he makes them but we must get a balance here. There is a lot at stake and we cannot have a non-executive Head of State coming to this country and using such an opportunity without providing balance.

I can understand the President's views. Members may have read in the papers today that the European Commission has changed its view on vegetables. This is important because there was a lack of understanding of the marketplace. The views expressed before now and the regulations introduced prior to this ordained that all vegetables on sale in supermarkets, shops and markets had to be of a certain size, grading and standard. Clearly, the marketplace was not understood. If people want to buy a straight carrot or cucumber they can do so but they should also be able to take the wobbly or cranky one or the one with nodules on it at a different price. I am delighted that the Commissioner reduced, if not entirely abolished, those rules yesterday and stated the marketplace can make those decisions. Those are the kind of rules that cause people such as Vaclav Klaus and others to say that perhaps too much strength goes to a centralised Europe. Let us make sure we have logic, sense and balance in any regulations we introduce in the future.

Senator Denis O'Donovan: I had the view when I came into this House almost 20 years ago in 1989 that Senator Norris was a very intelligent, witty, gregarious and broad-minded person. I take offence, however, at his condemnation yesterday of a debate the House is having today on the fishing industry. I have waited nine months for this debate and gave way on the matter last July. I appreciate and wish to thank the Leader for his generosity in allowing the debate on the fishing industry.

Later on today there will be a debate, which was rightly demanded by Members of the Opposition, on the motion on agriculture. This is important. Under the Constitution the Seanad includes an agricultural panel that elects 11 Members. Why should we not have a debate on agriculture? I compliment the Opposition on tabling this motion and I hope I will get the chance to speak on it. Why should we not debate the fishing industry?

Members of this House must think beyond Trinity College, Dublin 4 and the Pale. Rural Ireland does exist and there are issues that affect it, such as farming, fishing and tourism. I will represent the areas and the people I was elected to the House to represent. Furthermore, my learned friend, Senator Norris, yesterday pooh-poohed the Harbours (Amendment) Bill as a little Bill coming through. It is most important legislation and I have taken a very difficult stance with the Minister concerned, Deputy Brendan Smith, in respect of some of the issues. It affects harbours all over this country. A Member may criticise this as "pieces of legislation" but this House is bigger and broader than one that merely deals with bits of legislation. I stood

[Senator Denis O'Donovan.]

last week for three hours on the Harbours (Amendment) Bill and for most of the time there was not even a quorum present.

Senator Joe O'Toole: If the Senator wants to raise the point of people not being present on a daily basis——

An Cathaoirleach: Senator O'Donovan, without interruption.

Senator Denis O'Donovan: I respect and am delighted that these debates take place. Why not have a debate on fishing instead of one on extraordinary rendition? The fishermen are on their knees at present. I respect Members on the other side of the House who want debates on education, health or——

Senator David Norris: It is not a question of either-or. The Senator should not be so morally obtuse. It is not a matter of either-or.

An Cathaoirleach: Senator O'Donovan, without interruption.

(Interruptions).

Senator Joe O'Toole: Nobody objects to those debates.

Senator Denis O'Donovan: With all due respect, these debates were belittled.

Senator David Norris: I never belittled them and have regularly taken part in debates on the fishing industry.

An Cathaoirleach: Senator Norris, please.

Senator David Norris: It is people on Senator O'Donovan's side of the House who spoke disparagingly——

(Interruptions).

Senator Denis O'Donovan: I thank the Leader for his graciousness in allowing these debates. If we could have a debate on farming, fishing or other issues once or twice a year, I would welcome them, even if they occurred in lieu of legislation.

Senator Paul Coghlan: I do not wish to take from any of the issues that Senator O'Donovan has raised. However, Senator Twomey made a useful suggestion, as evidenced by the fact that

11 o'clock many other Senators spoke on it. Unfortunately, there is no more important subject for the House to address than gangland crime. As an obliging man, I am sure the Leader will be prepared to accommodate a debate to allow Senators to propose positive solutions which could assist the Government and the Garda Síochána in this matter. Senator Quinn, for instance, made a useful suggestion off the top of his head. We all want to assist the civil power, so to speak, and regardless of whether sufficient resources are available, we want to put forward solutions to aid the Garda in dealing with this appalling and growing problem not only in Limerick but in other cities and towns. I support the proposal made by Senator Twomey and other speakers and look forward to the Leader's response.

I asked the Leader previously about the property services regulatory authority Bill but do not recall his response. Perhaps he inadvertently failed to respond.

Senator Alex White: That would never happen.

Senator Paul Coghlan: When are we likely to see that Bill? I do not recall the Leader indicating when it is intended to introduce it.

A considerable period has elapsed since the House debated the Land and Conveyancing Law Reform Bill, a Seanad Bill which is included on the Dáil Order Paper. Does the Government intend to make a major amendment to the legislation which has not yet been prepared or what is causing the delay?

Senator Camillus Glynn: I concur with Senator Twomey's comments on the primary medical certificate and the loss of limbs as it relates to VRT rebates. To illustrate the point he outlined, a member of a local authority in the midlands with whom I am familiar has one arm which is of no use to him and he has experienced the problem as outlined by Senator Twomey. We must revisit this issue.

I raise the issue of boy racers, having received a plethora of complaints about the activities of young people, especially young males, driving at very high speeds and doing handbrake turns. While I do not wish to be a killjoy, this activity has resulted in the pride and joy of some parents, including in some cases the young person behind the wheel, being taken from them. It behoves us as a House of the Oireachtas to invite the Minister to the House to have a debate on the issue.

Senator MacSharry raised the issue of nurse training. I ask the Leader and my party's spokesperson on health, Senator Feeney, to arrange a debate on the issue because certain nursing disciplines are not as well represented in terms of numbers as they could be. As a consequence of that, many hospitals are experiencing difficulty recruiting nurses from these disciplines.

On the lack of legislation coming before the House, I have asked for a debate on the issue of joyriding and boy racers. From time to time, Senators ask the Leader, Deputy Leader or Acting Leader to arrange debates on topics and it is important to facilitate those requests because it gives the House a relevance it would not otherwise enjoy. While we should, as a legislative assembly, deal with legislation, I do not dismiss the importance of having statements on a range of issues.

Senator David Norris: I am aware that there is an EU happiness index. Is there also an irony index because we need to examine the whole issue of irony? I ask this question seriously. The Leader indicated he had to deal with a backlog of issues raised by Senators on the Order of Business. Is the obvious course of action not to face the ironies implicit in that statement and expand the only part of business in which people are interested or which is covered, namely, the Order of Business? If we have nothing else to discuss, why are we restricting Senators' contributions and creating a backlog? That seems to be ironic.

I will not lose my wig because a Czech Alf Garnett shared his smoked salmon in the Shelbourne with an Irish Berlusconi from the English midlands, although I have to say—

An Cathaoirleach: The Senator should put questions to the Leader.

Senator David Norris: I am asking whether the Leader has seen the irony in this and in the fact that he can rabbit on over there. Government Members are making idiots of themselves if they give the Czech President the oxygen of publicity.

Senator Jim Walsh: Maybe the Senator could change that.

Senator David Norris: At the same time, we had in this country, by invitation of the Government, a succession of European Prime Ministers who told the Irish electorate which way to vote. We even had one in this House, the President of the European Parliament, yet when the Czech President, with whom I disagree, is brought over here we do not allow him to say his piece. That, too, is ironic.

It is even more sinister that, despite the interference by the Government in the composition of people addressing this issue, no one representing the argument in favour of militarisation of the European Union, as envisaged by the Lisbon treaty, has spoken here. The militarisation of the EU is one of the reasons I became one of the first to speak against the treaty in the House.

While I am on the issue of irony, has anybody else noticed that in recent discussions on the family and civil partnership, it has been argued by conservative religious elements both inside and outside the House that the family can only be maintained by an architecture of inequality and discrimination against other citizens? I find this viewpoint astonishing. It is also astonishing that the newspapers today report a case concerning an unfortunate young woman who took a case on the validity of a provision concerning the right to redress before the Residential Institutions Redress Board for those aged 18 to 21 years. We will have another large bill presented to us, as is appropriate, owing to the negligence displayed by the Government in negotiating the deal with the church. As regards the irony of the church lecturing about the family, let us look at the record of the Ferns Report and all the other issues and let us be a little more tentative before we attack individual citizens.

Senator Jim Walsh: What about the boys in the Kincora home? The Senator is being very lop-sided in his commentary.

Senator David Norris: I take all cases on board. The Senator will find that I take on board all of them——

Senator Jim Walsh: No, you do not.

Senator David Norris: ——but you, Sir, are a bigot and I know that very well.

Senator Cecilia Keaveney: I hope people will not judge any profession on the basis of a small number of people who have misbehaved.

Senator David Norris: Is the Senator referring to the Czech President?

Senator Cecilia Keaveney: One of the two issues I raise concerns the Czech President. I concur with Senator Alex White that we should fight the battle on issues rather than on personalities. I, therefore, ask the Leader to invite the Minister for Defence to the House for a discussion on the Common Security and Defence Policy elements of the Lisbon treaty. The policy is one of common defence rather than common offence and has no connection with conscription or other matters used as sticks with which to beat advocates of the treaty. It is very important to have clarity on that issue and the House is a good place to achieve that. A debate on this issue would also provide Senators with an opportunity to discuss barracks closures and outline savings that may be achieved by leaving barracks, notably in County Donegal, unmanned in the future. I believe the Minister for Defence will be pleased to come before the House for a debate on these issues.

When people refer to the crime debate, they are really referring to the drug debate. It is very important in any debate on crime to focus not only on criminals but also on the most important issue, namely, the fact that there would be no supply without demand. All of us have a role to play in ensuring there is no demand for drugs. Drug use and thuggery is associated

with that. The burial of Shane Geoghegan today is an appalling vista. Drug dealing is the third largest profit-making activity after the arms industry and the oil industry. We, must, therefore, focus on how to reduce the demand, about which we can take action, thereby ending the battle of supply. I again congratulate all those involved in the major haul this week. I suggest we increase the use of drug dogs within our communities. If potential users are aware they can be caught, that might be as much of a help in minimising the use of illicit drugs as anything else.

Senator Eugene Regan: President Václav Klaus said: “Because of our communist past, we Czechs are extremely sensitive to the idea of freedom and democracy”, and he draws certain conclusions from that. In his thinking Václav Klaus is caught in a time warp. We drew different lessons from our experience of, as Senator Quinn would say, a “Big Brother”, and that has worked to our advantage. We joined a Community that is based on the rule of law, on democracy and express values, more expressly set in the Lisbon treaty than in any previous treaty. It is also enshrined in the treaties of the EU that there is a respect for diversity among peoples and member states. To make this comparison with the oppression of the former Soviet Union and the atrocities of that regime, including the suppression of peoples and countries that sought freedom within it, is simply perverse.

Václav Klaus is a great man. He played an important part in the fight for freedom in Czechoslovakia, but he has got it wrong. I do not believe anything he has said has any lessons for us in Ireland. It is not a question of breaching protocol or of intervening in a debate in Ireland. It certainly should not be a question of restricting access to the press. We should hear what he has to say and refute it, but the Government has not done that. It should say straight that we reject what he has to say, which has no lessons for us.

Senator Labhrás Ó Murchú: My view on some of the contradictions we have had this morning as regards freedom of expression is that freedom of expression is a great privilege, which is generally hard-won, more so by countries that have suffered oppression in the past, and Ireland is no exception in that regard. As legislators we enjoy a particular privilege. We can make statements in this House and enjoy privilege in many ways.

I do not like the manner in which Cardinal Brady has been criticised in the House. I respect the Senator’s views because he is, generally, straightforward in making them known. My belief, however, is that the church is entitled, on behalf of its membership, to express a view. It would be wrong for legislators to suggest that constraints should be put on the cardinal, or indeed any spokesperson——

Senator David Norris: I never did that.

Senator Labhrás Ó Murchú: ——from the church. Likewise, we have heard comments on the President of the Czech Republic and we need to be particularly cautious in this regard. During the referendum on the Lisbon treaty, it was clear that many people had grave doubts about many issues involved. At times there was even a suggestion that the whole position was not put before the electorate. Therefore if we criticise the President of the Czech Republic for making his views known — I am in favour of the Lisbon treaty — we may be sending out the wrong message and we need to be careful in that regard.

Any statements we had in this House were not in intrinsically good debates. Each morning on the Order of Business we all request debates and there are fewer constraints on statements in particular. I would not suggest or agree that some of the excellent views, which are obviously difficult to get across on the Order of Business, should not be put on the record of the House because there is an interaction between Members of the House, where we are learning from each other. If one looks back at the statements this week, one could not genuinely point to any

[Senator Labhrás Ó Murchú.]

single one that might be regarded as a filler or superfluous in any way. There will be contradictions here on different views. We can argue one way when one issue comes up and another when that suit us.

I noticed criticisms recently of the Catholic newspaper, *Alive*, from people who supported the Lisbon treaty, of whom I am one. There was criticism simply because the newspaper took a different line on the Lisbon treaty. There were even suggestions that the cardinal should use his position to put an end to that publication. That is not right, it is completely wrong. An editorial decision was made on the part of that newspaper and we are sending out the wrong message, which could be interpreted as muzzling a counterview in this debate.

The three points I make, while they form a different viewpoint, are relevant to the debate on free speech, which should always be promoted, unless it interferes with law and order etc. Otherwise, we should be very careful in our restrictions.

Senator Dominic Hannigan: I join my colleague, Senator Alex White, in calling on the Government to look again at the whole issue of post office closures. There was an excellent debate in the House yesterday with the Minister for Community, Rural and Gaeltacht Affairs, Deputy Éamon Ó Cuív, on the rural development programme. I made a point in that debate that in the past eight years we have seen the closure of 500 post offices in rural Ireland, leading to rural isolation and people being pushed out of rural communities and into urban areas. The Minister made a strange point in that he said he finds it very difficult to get potential operators of rural post offices. I can give one example in my area of Donore where there is an operator, a community and a premises. We are ready to open a new post office there, but we cannot get the approval of An Post.

The scheme being approved by Lord Mandelson in England is something from which we could learn. We should consider not just a financial analysis in terms of post offices but a social cost-benefit analysis. I ask the Leader to request the Minister to look again at the question of support for post offices.

Senator Mark Daly: I support my fellow county man and Opposition Member, Senator Paul Coghlan, in his call for the introduction of what is commonly known as the auctioneers' Bill. In light of the fact that so many auctioneering firms are closing down in the present economic climate, it is incumbent on us to ensure that the deposits of house purchasers are protected. The current insurance requirements under legislation are far too inadequate to cover the eventualities in the event that an auctioneer goes out of business. I have no doubt that Senator Ross will support me in the call for the speedy introduction of the Bill.

Senator Jerry Buttimer: I rise, primarily, to clarify something that arose on yesterday's Order of Business. I asked the Leader a specific question and I shall repeat it again for him this morning. Given that Fianna Fáil's partner in government, the Green Party, is targeting civil servants through its website, looking for financial contributions, even though civil servants above a particular grade are precluded from becoming members of political parties, will the Leader say whether a specific decision has been taken by Government to change the Ministers and Secretaries Act and whether he condones and supports what the Green Party is doing?

I join other speakers in asking the Leader for a debate on Europe in the aftermath of the Lisbon treaty referendum. Even though I do not agree with Mr. Klaus, he is entitled to his viewpoint. We are giving oxygen to the people on the "No" side of the campaign by the way we are behaving this morning. I remind Senators that 55% of the rural development programme announced by the Government is funded by Europe, without which there would be no such programme.

The budget has become a moveable document — it is not a feast but a litany of cutbacks. This morning we heard that the diabetic retinopathy screening programme, a sight test for diabetics, which was due to be rolled out this year, has been postponed until 2011. I ask the Leader to ensure that the Minister for Finance comes to the House. He has not been here since the budget, and the budget is now like an Enid Blyton novel, it is all fiction. There are no facts in it other than that we are experiencing cutbacks. That is the real fact of the budget. Today the Minister for Health and Children is refusing to change the decision on the cervical cancer vaccine despite the fact that pharmaceutical companies said they will waive the costs. It is important the Minister for Finance comes to the House because the budget is having an effect on families, young people and the elderly. We have not yet heard the Minister say that there will not be another budget in early 2009.

Senator John Paul Phelan: I agree with Senator Buttimer and ask the Leader for his view on the Green Party named targeting of civil servants in its recent fundraising announcement. I also ask him to arrange for a debate on the economy as soon as possible. A number of speakers on both sides have raised the obvious need for the Minister for Finance to come into the House to discuss future economic development.

I asked the Leader a couple of weeks ago where stands the Land and Conveyancing Law Reform Bill 2006, which was passed by this House and has disappeared between here and the Dáil. He may not have had an opportunity to find out and I do not expect him to know that information off the cuff, but I want him to inform me when he believes this Bill will be taken in the other House. There is a considerable body of opinion in that aspect of the law that much conveyancing has taken place in the past ten years and it is a case of locking the door after the horse has bolted, but the Bill should be taken in the other House as soon as possible as it would bring some clarity to this area of the law.

Senator Ann Ormonde: I also put on the record my disgust at the shocking murder in Limerick of Mr. Shane Geoghegan. I listened to the debate yesterday and today, and we must keep this on the agenda. I do not know how we will go forward. I call for a root and branch review of the procedures for handling suspects. It is a society issue and we must keep it on the agenda. We all must work together. The gangland tribe is growing through our cities and I do not know how we will put it down. It is a major concern. I am out and about, and communities at large who talk to me about it are fearful about what will be done next. We should have a full debate on that with the Minister. It should be a brain-storming exercise because we do not know the answers but we need to discuss it in-depth and look at how the gardaí can handle it. I cannot make suggestions because I do not have enough knowledge. I am interested in seeking knowledge as to how best we can move forward. No one here has enough knowledge on how to proceed and we should have a full debate.

We should have a post-Lisbon treaty debate. I agree with those who said it is time to start thinking about this matter again in light of the visit by the President of the Czech Republic. I have no difficulty with him meeting groups. I agree with Senator Ó Murchú that we should have freedom of expression. Let everyone come out and give their views so that the public is aware of the issues because the public did not have the information before. Let us get this issue moving and have a post-Lisbon treaty debate.

Senator Ivana Bacik: I ask the Leader for a debate on the conduct of business in the Seanad. Many of us on this side have been severely critical of the absence of legislation before the House, but that does not mean we are critical of debates and statements. We all accept there are some important debates that must be had and in the course of making statements on issues we can express ourselves fully. That is important, but there is a need for balance between

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legislation, which is our primary function, and statements on issues. Where we have statements on issues we participate fully. I take issue with those on the other side who suggest that, on the fishing issue, for example, we have not been fully participative. I participated in debates on fishing a number of times last year and got the Minister to do a U-turn on cockle dredging in Waterford Harbour. I am delighted that was as a result of debates on fishing, and such debates can have an important effect.

On what we can say in debates, we are entitled as legislators to criticise Cardinal Brady when he strays into criticising the Legislature or legislation that we may pass. It is also perfectly right that we criticise newspapers we see as representing the equivalent of the paramilitary wing of the Catholic church, which the *Alive!* newspaper represents. It is a newspaper that puts forward very extreme views with which many moderate Catholics disagree.

An Cathaoirleach: The point has been made.

Senator Ivana Bacik: I ask for a debate on the role of the Equality Authority in light of the swinging cuts that have been made. We need to have the Minister in the House to answer questions on why the authority has been singled out in this way, given the good work it has done.

I am grateful to Senator Quinn for pointing out a report on page two of *The Irish Times* on the EU management committee on fruit and vegetables, which is changing its views on the minimum rules and standards for the shape and size of vegetables. My colleagues may remember the big outcry when the EU declared that bananas had to be straight. I am afraid to say that among the long list of fruit and vegetables that will be covered by the new rule, bananas are not included, so straight bananas will continue to be an EU requirement.

Senator Marc MacSharry: I ask the Leader to examine, with the leaders of other parties in the House and particularly with Ministers and leaders of the Opposition in the other House, the possibilities that exist for the establishment of a commission or forum for a fairer Ireland, participants of which might include all the groups of the pillars of society and the social partners. Given the economic situation in recent years and the crisis in which the world finds itself, we will need such a forum to formulate a consensus of opinion on how to best meet the challenges of the future in terms of pay and efficiencies.

It would be better to establish such a forum in advance of the report by the task force on the public service, which is due at the end of the month, so we can include all the pillars of the community in teasing out the best way forward. While social partnership has served us exceptionally well and has been the leading player in our success in the past 20 years, a new set of challenges in the coming years requires a new set of plans and intentions to meet those challenges. This forum should be formed on the same basis as social partnership and should include all the social partnership and societal pillars. It should be set up because circumstances have changed substantially and will never return to the same form as in the past 20 years. A new and innovative approach is required and must be all-inclusive. If we could begin that process in this House, I would very much welcome it.

A report on the use of renewable energy and the creation of it in Ireland was released today, and I ask that when time is available we look at that report and discuss the issues that arise from it. While I acknowledge we have had some debates on climate change in recent times, we cannot have enough of them as we try to innovate and work to ensure the longevity of our planet and our environment.

Senator Maurice Cummins: There is anger, fear and concern among the public at the brutal murder of Shane Geoghegan. War is taking place on our streets, a war the State is losing. We need stronger deterrents, for example, a minimum of 25 years for murder. Electronic surveillance evidence should also be allowed in court. The anomalies mentioned by Senator Quinn must also be addressed. These are only some of the areas that must be addressed sooner rather than later.

Ministers talk about the heads of Bills taking 12 months, but we can introduce emergency legislation when we want. I agree we need to get the legislation right, but we introduced measures previously, after the death of Veronica Guerin, which have served the country well up to now. However, we need further measures to deal with the problem of the war on our streets. We must put policies and measures in place to address these savages. Greed, money and drugs are driving the problem and we must deal with the issues in the strongest possible manner. Putting off the introduction of measures for a year or more is inadequate and not what the public wants. We need a strong response now.

Senator Donie Cassidy: Senators Twomey, O'Toole, Alex White, Quinn, Norris, Keaveney, Regan, Ó Murchú, Buttimer and Cummins all expressed their shock and horror at the tragic death of Shane Geoghegan. I fully agree with all that has been said. Some very good suggestions have been put forward this morning, for example, the DNA database suggested by Senator McFadden and restoring fear of the law, as mentioned by Senator Cummins. It appears to be the case there is no longer any fear of the law and this is where the challenge lies for Government, the Minister, the Commissioner and everyone concerned. The 2007 report of the Criminal Assets Bureau will be discussed in the House today and perhaps colleagues may want to make these points on that report when the Minister is in the House.

Many Senators expressed strong views with regard to the presence of the President of the Czech Republic in Ireland as our guest. I will pass those views on to the Minister after the Order of Business.

Senators Twomey and Glynn asked about the primary medical certificate needed by the disabled. Former Senator Willie Farrell had a similar experience and was not given due recognition for the loss of a limb. He brought that issue to the attention of the House on many occasions. We may seek to pursue this serious situation with the Minister for Health and Children. The two Senators who raised the issue have life-long experience in the medical area. I will take the issue on board and try to take their request further.

Senators O'Toole and Bacik spoke about the lack of legislation in the House. I explained the issue in the House yesterday. I noted those who contributed when the Minister for Community, Rural and Gaeltacht Affairs, Deputy Ó Cuív, was here to discuss rural development yesterday. I look forward to full participation in today's debates, especially the debate on the fishing industry which has been requested for the past ten months.

Senator O'Toole also called for debate on education. I have given a commitment to this and have no difficulty with allocating time for it.

Senators Alex White and Hannigan called for a debate, in light of the announcement made by Lord Mandelson yesterday, on the future of post offices and the opportunities available to the post office industry. I am agreeable to anything we can do to enhance rural Ireland. Post offices have a central role to play in this regard and I have no difficulty in asking the Minister to consider the situation and how we can progress their role.

Senator Alex White: We have post offices in urban Ireland also.

An Cathaoirleach: The Leader, without interruption.

Senator Donie Cassidy: They are taken as a given in urban Ireland. The real decline is in rural Ireland. I have never heard of a post office closing in urban Ireland.

Senator Alex White: Many of them have closed.

Senator Jerry Buttimer: I can name two of them.

Senator Donie Cassidy: I would like to hear of them, after the Order of Business, because to my knowledge it does not happen.

Senator Jerry Buttimer: I will name two: Dennehy's Cross and Bishopstown.

Senator Donie Cassidy: It does not generally happen because the population is not declining —

An Cathaoirleach: No interruptions, please.

Senator Jerry Buttimer: The Leader asked a question.

Senator Donie Cassidy: Senator Buttimer is not allowed to respond.

Senator Jerry Buttimer: That is Fianna Fáil. It wants no answers; it just likes to hear the sound of its own voice.

An Cathaoirleach: He indicated that the Senator should speak to him elsewhere. The Leader, without interruption.

Senator Donie Cassidy: I thank the Cathaoirleach for his protection. Senator Callely spoke about the severity of sentencing in Burma, for example, sentences of 65 years. I will pass his strong views to the Minister of Foreign Affairs. Senator O'Donovan expressed strong views with regard to the fishing industry and the debate that will take place later today. I am aware colleagues will fully support a Senator with such a wide knowledge of the challenges facing the fishing industry, as does Senator O'Donovan.

Senators Coghlan and Daly raised the matter of the property services Bill. I understand that will come to the House early next year. Senator John Paul Phelan asked about the Land and Conveyancing Law Reform Bill. That Bill is to be introduced in the Dáil and is in the gift of the Chief Whip. I will make inquiries on these issues for the Senators.

Senator Glynn called for a debate on boy racers and joy-riding. I have no difficulty with allocating time for this very important request. Senator Keaveney called for the Minister for Defence to come to the House to debate common defence and defence policy. I have no difficulty in allocating time for this.

Senators Ó Murchú and Norris expressed strong views and gave the House the benefit of their experience with regard to the freedom of speech. Senator Ó Murchú said Cardinal Brady should be allowed make his views known, just like everyone else. The Senator made an excellent contribution with regard to freedom of speech. Thank God we are all allowed freedom of speech. I have no difficulty with having a debate, or statements, on this issue in the House.

Senator Buttimer mentioned the recruitment drive being conducted by the Green Party. The Deputy Leader of the House, Senator Dan Boyle from the Green Party, will take the Order of Business tomorrow and perhaps Senator Buttimer can raise the question with him, his Cork colleague, and he can clarify the matter in person.

Senator Jerry Buttimer: I asked the Leader for his view.

Senator Donie Cassidy: Senator Buttimer also asked for a debate on the budget. We await publication of the Finance Bill on 3 December. The Fine Gael leader has agreed to this wait. I will have the debate as soon as the Bill is published.

Senator Ormonde called for us to debate the Lisbon question again. Her request is timely, but I do not envisage this debate until the report of the committee is available. Some of our Seanad colleagues are sitting three days a week on this urgent committee, discussing and deliberating the issue. When the report is available, I will arrange for us to discuss it in the House so we can give the Minister the benefit of our suggestions.

Senator Bacik called for an update on the Equality Authority and for debate on the issue. I agreed to that yesterday and will allocate time for it.

Senator MacSharry made some positive proposals to the House regarding the establishment of a forum in which all the social partners would participate and the new challenges that we will have to face. He advised us that we should put in place our master plan in time for the next upturn. I will pass to the Taoiseach after the Order of Business his suggestion on a new initiative. He also called for a debate on renewable energy, in respect of which I have no difficulty in arranging time.

An Cathaoirleach: I ask the Leader to clarify that the sos will be taken from 2.30 p.m. to 3 p.m.

Senator Donie Cassidy: It will be taken from 2.30 p.m. to 3 p.m.

Order of Business agreed to.

Fishing Industry: Statements.

Minister of State at the Department of Agriculture, Fisheries and Food (Deputy Tony Killeen): I warmly welcome this opportunity to address the House on the key issues affecting the fishing sector. It is fair to say that the industry has endured difficult times of late, which were brought to crisis level earlier this year by the impact of high fuel prices. Notwithstanding the considerable easing in oil costs, fishing is as vulnerable as other sectors of the economy to the impact of the present global financial and economic situation.

However, I am optimistic for the future of the fisheries sector because I firmly believe that the fundamentals of the industry remain sound. The demand for seafood continues to rise, albeit at a time when there are restrictions on supply. We must also realise that the reason for quota restrictions is to allow fish stocks to rebuild, thereby ensuring a sustainable supply of fish for future generations. Another reason for my optimism is the quality and character of the people involved in this sector. They are resilient and innovative and have proved their ability to adapt to change and make difficult choices for the betterment of their industry. These attributes are as important for the future development of the sector as any economic fundamentals.

I do not underestimate the nature of the challenge facing us at present. It is complex and will not be solved by a single magic bullet. Higher levels of co-operation will be required across the full spectrum of the fisheries sector, from catching to marketing and processing. We have to develop a shared understanding of the key market forces that impact on the sector and engage in more joined up thinking to identify and maximise new opportunities while consolidating current best practice.

We have entered an economic era which only some of us can claim to have previously experienced. Younger members of society have only known good economic times but we have triumphed over harsh economic climates before and we will do so again. I previously spoke

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about our good fortune in having already developed a strategic blueprint for the fisheries sector in the 21st century in the report of the seafood strategy review group, *Steering a New Course*, otherwise known as the Cawley report. This road map is more important now than ever because it puts us in a strong position in that we are already transforming the sector and delivering on a sustainable, profitable and self-reliant industry. I pay tribute to my predecessors who were involved in delivering this strategy and those in the industry who played a role in agreeing the joint position. It is imperative that we continue to implement the strategy's recommendations and get agreement from all stakeholders in this endeavour.

I turn to the quotas which underpin the fisheries sector. The poor state of many whitefish stocks targeted by the Irish fishing fleet is clearly reflected in the decreases in annual total allowable catch, TAG, the quota allocations that Ireland receives and the landings of the fishing fleet in the past decade. The levels of TAG and, ultimately, the quotas for Ireland are determined each year at the December meeting of the Agriculture and Fisheries Council following negotiations with member states. The process for 2009 has begun in earnest with the publication of the Commission's proposals, which will be subject to detailed and protracted discussions in the coming weeks. In summary, the proposal as set out is bad news for many of our fleet's economically important stocks.

There is good news with regard to mackerel, in respect of which agreement was reached at the coastal states meeting in London on 30 and 31 October. The overall TAG for mackerel will increase by 33% from 456,000 tonnes in 2008 to 605,000 tonnes in 2009. This will result in the net Irish quota, after deductions for the payback for undeclared Scottish landings, going from approximately 45,000 tonnes to 62,000 tonnes. This significant increase is the reward for Irish fishermen adopting responsible fishing practices for the stock. In value terms, using an estimated price per tonne of €1,200 this results in an increase of over €20 million to the pelagic fishing sector in 2009, from €54 million to €74.4 million. Prices of up to €1,500 are being offered in Norway at present.

Notwithstanding the good news story on mackerel, I am concerned about the socio-economic impact of the cuts proposed for whitefish stocks. Coming as they do on top of possible effort restrictions as part of a new cod recovery plan, these cuts will make for testing times for fishermen. I assure the House that the Minister for Agriculture, Fisheries and Food and I are actively engaged alongside our officials in delivering the best possible deal for Ireland. A lot of late nights and long days will be endured in the forthcoming negotiations before a final settlement is reached.

In February 2008, the former Minister of State at the Department of Agriculture, Fisheries and Food, Deputy Browne, acted on a central recommendation from the Cawley report after receiving state aid approval by the European Commission by launching a scheme to permanently withdraw capacity from the whitefish sector of the Irish fishing fleet. The 2008 decommissioning scheme, which is administered by Bord Iascaigh Mhara, complements the earlier successful 2005-06 decommissioning programme. To date, of the 57 vessels that were approved and offered decommissioning grants, 39 vessels have accepted and a further six have until 19 November to accept. The 39 vessels that are permanently exiting the whitefish fleet account for 6,332 gross tonnes. With an average size of 165 gross tonnes per vessel, these boats represent 57% of the overall target set for the scheme and are additional to the 27 whitefish boats already decommissioned in 2005-06.

Overall, a total of 72 whitefish fleet vessels of longer than 18 metres will have been decommissioned since 2005 at a total cost of €47.9 million. This represents 70% of the original gross tonnage target set out in the Cawley report. The result of this decommissioning will be a significant boost to the economics of the boats that remain in the fleet. This economic lift

comes from the redistribution of the whitefish and prawn catch previously taken by the vessels being decommissioned, which is currently estimated at €22 million. Over the next five years, this will result in up to €110 million worth of additional catch opportunities for the remaining boats.

Decommissioning is primarily intended to benefit the owners and skippers who remain in the fleet rather than those who leave and I am confident they will see the benefit of this policy. The downwards shift in our whitefish fleet fishing capacity will help offset quota reductions and effort restrictions and will deliver an efficient, effective and viable fishing fleet capable of supporting a vibrant coastal community in the future.

The European Commission's proposals for a new cod recovery plan are of key importance to Irish fishermen. The current plan has been with us since 2004 and combines effort restrictions and quota reductions with technical measures and other management arrangements in an effort to improve and rebuild stock levels to support sustainable fisheries. Unfortunately, scientific assessments have shown that the measures adopted in 2004 have not yielded the desired results and cod stocks in the Irish Sea and off the north-west coast remain seriously over-exploited. The new proposals aim at strengthening the recovery plan for these cod stocks. In addition, the proposals include the Celtic Sea cod fishery for the first time.

The Celtic Sea has rich fishing grounds which allow us to harvest many of our whitefish quotas. The new management practices, in particular those which aim to reduce fishing efforts, will reduce the time a fishing vessel may spend at sea in the area. While Ireland has argued against effort restrictions in terms of limits on time at sea for the recovery of the Celtic Sea cod stock and considers that other means would deliver recovery of this stock, it appears likely that the Council will press ahead with the inclusion of the Celtic Sea cod fishery in the plan. On this basis we are seeking to tailor the plan for the Celtic Sea and, indeed, for the other fisheries in the Irish Sea and the north west to best suit the position of the Irish fleet and reduce as far as possible the negative impacts on the fleet generally. Last week, the Minister and I held discussions with industry representatives on issues and possible changes that would reduce the impacts for fleets not targeting cod. We will continue to liaise closely with the Federation of Irish Fishermen, FIF, during Council discussions on this important topic next week.

The months of October, November and December are of key importance to fisheries, not just because the December Fisheries Council sets the overall TACs and quotas for 2009 but because it is also the time when crucially important fisheries agreements with non-EU countries are negotiated and concluded. I refer to the multilateral coastal states agreements on the management arrangements for 2009 of blue whiting, Atlanto-Scandian herring and mackerel stocks in the north-east Atlantic. These negotiations between the European Community, Norway, Faroe Islands and Iceland were conducted over a two-week period in London and concluded on 31 October. Agreement was reached on new arrangements for mackerel, which resulted in a significant increase in quota for 2009. However, agreement could not be reached on blue whiting or Atlanto-Scandian herring and these have been referred to the North East Atlantic Fisheries Commission negotiations being conducted in London this week. Some progress has been made.

Bilateral agreements remain to be negotiated for 2009. The most important of these is between the EU and Norway, which is conducted over two rounds. The first focused on mainly technical issues such as control and conservation measures and was held in Bergen, Norway, on 3-8 November. The second, which will focus the setting of TACs, access arrangements and the balancing of inter-party transfers, will be conducted in Brussels on 24-28 November.

In my opening remarks I referred to the impact that high fuel prices had on the Irish fleet. Recent developments in the global fuel market have resulted in cheaper fuel and a subsequent

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easing of the pressures on our fishermen. The crisis highlighted areas within our fleet that needed further attention. I am conscious that the Minister for Agriculture, Fisheries and Food, Deputy Smith, addressed this House in July and gave full details of the position at that time so I wish only to give a brief update on the emergency aid package.

Ireland submitted a detailed, costed set of proposals to the European Commission on 12 September. In keeping with our previous stance on the matter, and supported by the Commission's policy document of 8 July, these proposals sought additional EU funding of €32 million to support the restructuring of the fishing fleet in line with the provisions of EU Regulation 744/2008, instituting a temporary specific action aiming to promote the restructuring of the European Community fishing fleets affected by the high fuel prices. We are actively pursuing the case at Council and Commission level.

The Irish plan was the subject of a lengthy bilateral meeting at official level with the European Commission in Brussels on 30 September. At that meeting the current situation of the Irish fishing industry was outlined to the Commission and it was made clear that the plan cannot be implemented unless the Commission secures and allocates the necessary funding to Ireland. I also raised the matter at the September Fisheries Council and pressed for Commission proposals to enable the implementation of the plan in Ireland at an early date. The Commission's stated position is for member states to re-engineer their fisheries operational programmes to give priority to the new measures catered for in the emergency package. This is not an option for Ireland as we have already committed €32 million of our total EFF allocation to the current decommissioning scheme which does not allow for any further flexibility with the remaining measures proposed. We will continue to push Ireland's case over the coming period with a view to the Commission bringing forward firm proposals to provide additional funds that will enable the full implementation of the plan.

Ireland's operational programme for fisheries which was the subject of much debate and correspondence. I am happy to say that the Commission formally adopted the Irish operational programme in its decision of 9 September. The first meeting of the monitoring committee for the operational programme will take place on 2 December. BIM will be the implementing body for the roll-out of the measures contained in the operational programme.

As one of the few indigenous industries, aquaculture is of major significance to the Irish economy due mainly to the contribution made by the sector in the creation of jobs and wealth. In recognition of this fact, €5 million has been made available in the 2009 Estimates for aquaculture development support. This continued support in times of financial restraint demonstrates the Government's commitment to the sector.

In the context of the Cawley report, *Steering a New Course*, the main objectives for the Irish aquaculture industry are the development and expansion of the sector within the context of clearly defined national planning policies, output targets, environmental standards and codes of best practice for production methods and fish health. Aquaculture is regulated in accordance with the provisions of the Fisheries (Amendment) Act 1997. Licences, of which there are 700, are granted only following full consideration of the likely environmental effects of the proposed operations and are granted subject to specified terms and conditions. There is a substantial backlog in licence applications at present. This is due in large measure to the fact that many of the existing licences were granted for a period of ten years on foot of the Fisheries (Amendment) Act 1997 and therefore fall due for renewal at present. In addition, many of the outstanding aquaculture licence applications are located in Natura 2000 sites.

The Department is working actively with the national parks and wildlife service of the Department of the Environment, Heritage and Local Government and the European Com-

mission to develop proposals acceptable to the European Commission to enable these aquaculture licences to be renewed in compliance with the habitats and birds directives. A sum of €1.4 million has been set aside in the Department of Agriculture, Fisheries and Food Vote for 2009 to assist environmental compliance activities for aquaculture and sea fishing activities in Natura 2000 sites.

Looking to the medium to long-term priorities for fisheries, the review of the Common Fisheries Policy will be foremost in my and the officials' agenda. The Common Fisheries Policy is the fisheries policy of the European Union which was first put in place in 1983 and has been, subject to ten yearly reviews, the most recent in 2002 and the next formally provided for in 2012. It has been acknowledged across EU member states that further reform of the CFP is necessary. In this context, an approach similar to that for agriculture involving a health check of the policy is now planned.

The Commission's documents were published on 17 September with other member states, notably France, putting their own discussion papers forward for review and comment. The issue was also the subject of detailed discussions at an informal meeting of agriculture and fisheries Ministers on 29 September in Brussels. Ireland wants to influence the agenda and will continue to be active in our attempts to shape the direction of this review. We wish to provide for and promote the interests of our catching sectors, which are very important to the protection of the livelihoods of the coastal communities.

It is fair to say that the last reform of the CFP was instrumental in the introduction of measures that have resulted in significant improvements in the sustainable management of our fisheries. The new CFP must continue and build on the achievements made. It is clear to me that with respect to the debate on the future review on the CFP, we should instigate change only where it is clear that the change will bring about improvements to the current policy. Change for the sake of change is not a solution. I do not underestimate the challenges we face in this review process in the face of what is a negative opening assessment from the Commission of the current state of play. Full recognition of programmes such as Ireland's programme to right size the fleet and their impacts on the balance between catching capacity and fishing resources is not evident.

For Ireland, the priority is to have a strong, sustainable and profitable seafood industry that supports fishing activities and related economic activity in our coastal communities. These communities have traditionally been based on fishing activity and without a community-linked catching sector we believe that these communities will wither and die.

We are committed to the new review process and without doubt there is a need for the simplification of the policies but more importantly any new policy must engage and have the support of stakeholders on the ground. They must believe that it is fair and equitable and that the rules in place are equally applicable to all operators. I refer to a recurrent theme — we must have a level playing field on control. Therefore, we will not be supporting a policy for the fishing fleet that promotes internationalisation and the concentration of activity and the benefits in the hands of a small number of large companies. We believe that this is not in the best interests of our fishermen or of our fisheries. I refer to specific areas of key importance to Ireland, which will become part of the overall review.

In respect of access to the 12-mile nautical zone, Ireland's position has consistently been that opening up access is not an option. Indeed we are of the opinion that the coastal limits should be extended further with preferential access for the coastal state to support the local coastal communities which are dependent on fishing. However, we must recognise that this would be a considerable challenge to deliver. We feel strongly that resources for fleet management measures should be targeted at member states who are willing to reduce fleet size. In this

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regard, we are strongly of the view that the Commission must make available additional EU funds to support the introduction of the emergency fuel package for countries such as Ireland which has already used up its EFF allocation on decommissioning of fishing vessels. Regarding fisheries management, we are in full agreement with the need to simplify the decision making process and, while welcoming the earlier provision of scientific data for TACs and quotas, we feel strongly that we need to be able to move towards incentives for fishermen and real time decision making to reduce and eliminate discarding of fish.

With regard to the debate on allocating fishing opportunities, I want to be blunt. Ireland is completely opposed to the concept of market-based individual transferable quotas as we believe it would result in the economic and social destruction of small Irish coastal communities. We are not convinced at present that there is any other equitable and workable system other than the present TAC and quota system. We do not support the establishment of a European fleet that would have open access to all waters, where fishing rights can be purchased and all links to the traditional coastal communities are severed. It is our position that quotas and their management must be retained under national competence. Undoubtedly, this is a major issue for all of Europe and we are committed to working closely with stakeholders, our member state colleagues and the Commission to strengthen the current policy for the betterment of fisheries as a whole.

I started this address by saying I am optimistic but I am also realistic. I acknowledge that the fishing sector is undergoing change, some of which is enforced by factors over which we do not have full control. However, most of the change is generated from within, to deliver an industry that can sustain the impacts of unknown global forces. Collectively we are delivering an industry that is market-focused, efficient and effective. The Irish fishing sector of the future will be environmentally sustainable, will be profitable and flexible in its ability to face future challenges. Time stands still for no man or industry. I was taken by the headline in the most recent *Marine Times*, “Golden Opportunity to Effect Change?” We are at those crossroads now. My optimism for the future is based on the real collective efforts being undertaken to deliver on a joint vision for the future of the Irish fishing industry in particular.

I have visited a number of areas which I hope to deal with when replying to the debate. I am sure Members will raise points to which I will need to respond.

Senator Paul Bradford: I welcome the Minister of State to the House. I am pleased we have this opportunity to bring to the House the important issue of the Irish fishing industry. I listened with interest earlier to some of the comments made on the Order of Business in regard to this debate and other matters. From a political perspective, since we joined the European Union in 1973, our fishing industry has been very much a poor relation. Not surprisingly, there is a sense of despair, pessimism, doubt and disillusionment in our fishing and coastal communities, towns and villages. It was sadly significant that a large “No” vote in the Lisbon treaty referendum held last June was recorded in our coastal communities. The people of those regions felt, rightly or wrongly, that the European project not only has been of no benefit but also has negatively impacted on our fishing industry. They decided they had had enough and came out in record numbers to vote “No”. I was disappointed with that decision by those people but it was a strong signal by our fishing communities and the men and women involved in the fishing industry that the Irish Government and the European Union had let them down and they had had enough. It is something all political parties which have shared power to some degree since 1973 must acknowledge. The Irish fishing industry has gone from bad to worse. Therefore, we certainly need a new beginning.

It is appropriate we are having this discussion at a time when the Minister, his officials and colleagues are commencing a review of the Common Fisheries Policy. I appreciate it will be a tough one. There are no easy options or choices available to the Minister of State. At the core of our negotiations must be the need to rebuild the Irish fishing industry and, as the Minister of State said, take note of the fact that Irish coastal communities, towns and villages have been very dependent on the fishing industry. Therefore, we cannot let them fade away.

There are many issues we can discuss now, whether it be the Cawley report or fuel prices, but the bottom line is that we need to plan for the future. An opportunity is presented by this review to mark a new beginning for the industry. As we are debating the fishing industry in the House, the Joint Committee on Agriculture, Fisheries and Food is debating the future of the milk quota regime in Europe. The introduction of the milk quota regime in 1983 was significant. It stabilised prices and rebuilt, albeit with difficulty, the dairy industry not only in Ireland but throughout Europe. Now a new way forward is being charted for the dairy industry. Let us hope that something similar can be done for the fishing industry, which is a great natural and historical industry, and that the review can be built on solid foundations. The agreements this country entered into as part of our joining of the then European Economic Community in 1973 resulted in the fishing industry being severely disadvantaged. We have been paying a heavy penalty since then and we certainly need a new beginning.

While many crises have faced the industry, I will deal with some of the current issues which the Minister of State attempted to address in his contribution. I acknowledge that his contribution was, as he said, optimistic and realistic. Fuel prices have played a major role in making the life of our fishermen more difficult during the past 12 months. The statistics I have to hand suggest that the cost of a ten-day fishing trip has increased from €7,000 to €17,000 during the past four years. The European Commission suggests that marine fuel prices have increased by 240% since 2004. Such fuel increases have placed a huge financial burden on those in the industry. It is a cliché to say that something must be done about this. For an industry which is already at the end of its tether in regard to its financial parameters, to see fuel prices increasing by 240% is a massive financial burden. We are advised that 75% of a trawler's turnover is spent on fuel. That makes the possibility of earning some degree of profit almost impossible. I acknowledge that during the past month or two since those figures were compiled there has been some roll back on fuel prices, but fuel costs still pose a significant difficulty for the industry.

The Cawley report is seen as being of almost biblical importance. Admittedly, it does chart some way forward. We have debated the report in the House previously and there is general political support for it. However, moving from the compilation and production of the report to its full implementation has proved to be difficult. The progress to date on that has been modest to a certain degree. As it is the blueprint we have set out and agreed, it is important the Government puts the necessary plans and expenditure in place to implement its recommendations as soon as possible. While we acknowledge the necessity for the report, its recommendations signify the raising of the white flag because we are almost suggesting and putting in official print the fact that the industry will have to shrink in size and fewer numbers will remain in it. It is only through a reduction in the numbers in the industry that some people will make a financial living from it. If that is to be the case, so be it. Government assistance obviously is required.

The Minister of State mentioned the new economic dispensation. I acknowledge the distressing state of Government finances and that the taxpayer is being put to the pin of his or her collar, but funding will be required if the Cawley report is to be implemented in full. There is little point in partially implementing that report because its recommendations are presented as an avenue forward. Financial assistance will have to be given by way of State aid. This has

[Senator Paul Bradford.]

been discussed not only at national level but also at European level and has received approval. We now need hard cash to make it attractive for those people who wish to leave the industry. It is disappointing that many people will see no other option but to take the opt outs available to them. However, if at least this measure results in a much reduced number of people in the industry with the possibility of earning a decent income, that is something we must welcome. However, it can only happen if the necessary financial support measures are put in place.

I wish to refer briefly to a few other matters, one being the need to ensure our industry will not be disadvantaged relative to our competitors within the European Union as a result of the Commission decision to permit state aid in certain circumstances. This caused deep upset to our fishing communities in the run-up to the Lisbon treaty referendum. That decision should not have been part of that debate but, inevitably, it became part of it. Our fishing communities genuinely feel their competitors across the European Union are in receipt of various state aids and state advantages which they do not have receive. Our industry is now in a severe crisis. That matter needs to be tackled.

The Minister of State mentioned the increased of consumption of fish owing to it being a healthy food, in which there is scope for further growth. There is still a difficulty with the branding and marketing of Irish fish. We could do considerably more in these areas to improve consumption, demand, price and profit for the Irish fishing industry. We will obviously return to this debate and will concentrate more fully on the review, which is the core of the work of the Minister of State. We need to aspire not just to allow the industry to continue but to develop it to its maximum potential. We need to ensure the maximum number of people will have a prospect of remaining in the industry. Apart from agriculture and forestry, it is our oldest industry and our coastal communities are highly dependent on it.

What has happened since 1973 has been tragic. Admittedly it is now history. We cannot rewrite history and we will not leave the European Union. Even at this very late stage we must acknowledge that policies pursued over our 35 years' membership of the European Union have been very unfriendly to our fishing communities. We must give some commitment to redress the balance and ensure survival of our fishing industry into the future.

Senator Denis O'Donovan: I welcome the Minister of State, Deputy Killeen, to the House. I do not want to go through the history of the fishing industry and the raw deal we got in 1973 where we ended up with 4% of the quotas with in excess of 20% of the coastal waters. For every 1 tonne of fish caught by Irish vessels over the years 20 tonnes were taken out of Irish waters by other EU vessels. That is historical and I cannot blame the Minister of State. We need to move on.

I have been calling for this debate for some time and I am glad we are having it today. The one good omen coming through is the 30% increase in mackerel quota in the pelagic sector, which I welcome. The mackerel quota for 2008 was divided as follows. The 23 ring-fenced super-trawlers, the RSWs, got 42,000 tonnes, the polyvalent fleet got 7,000 tonnes within which is included boats that were jigging gillnet and other over 65 ft vessels also. The proposed 16,000-tonne increase in the mackerel quota for Ireland in 2009 is welcome and I urge that at least 50% of this should be provided to the polyvalent fleet, which supplies four processing factories in Rossaveal, Dingle, Baltimore and Castletownbere, employing more than 300 people. It is a reasonable demand that they should seek 8,000 tonnes of the increased quota.

In one sense I must be mindful of the Cawley report, but in another sense I must mindful that in the past ten years nine processing factories in the south and west of the country have closed. One part of the policy is to promote jobs in onshore processing. If there is not an increase in the mackerel quota to the polyvalent sector, other factories will close. Recently a

factory in south Wexford closed owing to lack of supplies. While I am not being in any way disparaging, of the 23 RSW super-trawlers with their 42,000 tonnes quota, 70% is landed in Norway or possibly Scotland. As the Minister of State pointed out, Norwegians are offering higher prices for fish. However, we must be mindful that it is a long trip to Norway if we are trying to secure jobs onshore.

The majority of the 23 super-trawlers that land their mackerel abroad have been ring-fenced and have not been affected by decommissioning etc. through the years. The polyvalent fleet that has a small mackerel quota has landed up to 90% of its fish in this country. In addition, the herring quota in the Celtic Sea, traditionally fished by the polyvalent fleet, has been reduced to approximately 5,500 tonnes in 2009 from more than 20,000 tonnes ten years ago. This will cause great financial hardship within the polyvalent sector and, without the increase in the mackerel allocation, would make the four factories that employ more than 300 people unsustainable in the future.

All the pain of decommissioning has been in the polyvalent sector. In the Castletownbere co-operative, for example, a fleet with 65 trawlers employed 325 men five years ago. After the last round of decommissioning only 30 trawlers are left employing 150. There has been a loss of 175 jobs and 35 vessels. That is critical. We can talk about decommissioning and we needed to go down that road. Even having taken out the number of boats decommissioned, which were almost exclusively in the polyvalent sector, there was a view that there would be extra quota for the remaining boats and that it would be sustainable for the fishermen and their families. However, that is not what is emerging, which is of great concern.

The Sea-Fisheries Protection Authority views its role as taking over from what the Department and possibly the Naval Service were doing up to now. I believe there is over-policing. I am not saying this because of the day that is in it. If there was the same *pro rata* policing in certain areas of Limerick or Dublin we would not have the crimes that are being committed at the moment. That matter should be addressed. There are too many of these officers. In many instances when I am down in Castletownbere there are more of them around than there are fishermen. They will certainly outnumber the number of trawlers the way we are going.

The Minister of State, Deputy Killeen, spoke enthusiastically about the aquaculture and mariculture sector. Based on my experience to date, I do not share the optimism of the Minister of State. I am very pessimistic about the future of that sector. The mussel industry was supposed to develop and expand — it was once planned to reach 30,000 tonnes. However, that industry is contracting. The new science on toxin levels may be an area for another Minister. While we are leading lights in Europe, the way we are going, not only will we close down mussel harvesting and the factories involved, but it will also affect oysters and other types of fish. I have heard of serious concern not necessarily just from those involved in the mussel industry, but also from the Irish Shellfish Association. I compliment BIM on the work it has done in promoting fish and our fish exports. For decades I have advocated that we should have onshore processing in all these areas to create jobs ashore and have added value when we export these products. BIM is spending considerable money promoting this and opening markets. However, much of that is being curtailed.

One example occurred in my own neck of the woods. Bantry Bay Seafoods spent approximately €5 million building up a market in America and promoting its product in 700 outlets. In one incident, information outside its remit was volunteered to the Food and Drug Administration, FDA, on what was happening in this country. The exports complied with the strictest Irish and European standards but as I found in consultation with the FDA, it was mesmerised in that we, as a small country of approximately 4 million, have the Food Safety Authority of Ireland — which is meant to be the leading light in food safety — and another body delegated

[Senator Denis O'Donovan.]

to work in that area, the Sea-Fisheries Protection Authority, SFPA. The United States has a population of 300 million and it has the FDA alone. It could not understand why we have two bodies monitoring the same area. There seemed to be a conflict of interest and in that instance it was like two bulls fighting over a heifer going to dairy to see who would be the leading light.

They have destroyed an export market that took seven years to set up. Never again, while grass grows or water flows, will the United States have any interest in the import of Irish seafood, be it mussels, oysters, clams or other types of fish. We have done significant damage to our reputation over recent years.

I know there are not many speakers on this issue but I beg the Acting Chairman's indulgence as I complete a number of points. I emphasise what Senator Bradford has said in that the anger in coastal communities was set out in the result of the vote on the Lisbon treaty, which was severe and acute. In Castletownbere, more than 90% voted against the treaty. Schull and Baltimore are coastal areas in my constituency which were very angry about their deal from Europe. We are talking about renegotiating and so on but I am glad the Minister of State indicated in his speech that the Common Fisheries Policy, CFP, may be renegotiated in some form or other.

We need a better deal for Irish fishermen and we must protect those who are left. They have gone through the toughest four years that Irish fishermen of any sense have gone through. We mentioned the question of fuel costs and we are still awaiting the famous package we hope to get from Europe in the form of emergency aid that will support the Irish fishing industry. Whether the trawlermen are in Killybegs, the west, south or Wexford, they and I cannot share the optimism referred to by the Minister of State.

There is an overlap of agencies and fishermen are overpoliced. For almost 50% of the time, most boats are tied up and the price of fish is not increasing in the way it should. I am concerned about the future of the industry, particularly with regard to quotas. The industry has contracted considerably and if a further decommissioning package were introduced, another 25% of the fleet would look to participate in it. That is sad. I mentioned one example of the Castletownbere fishing co-op in the south but I could have mentioned Union Hall fishermen's co-op or other areas seeing the same contraction. I am always up for the fight and like to be optimistic but my degree of pessimism has not waned.

I am concerned about future issues, be they the Cawley report or whatever, but we must support jobs. A mackerel quota is now coming on track. It is good news in that for the first time we are getting extra quota rather than a reduction. A fair share should be allocated among the polyvalent sector to support factories in the south. There are four left and we have lost nine, as one in Wexford closed last year. That is an acid test and if that goal is not achieved over the next two to three months, we will return with more pessimism and another sob story. I would like to be more optimistic but what I have seen in the past 12 months does not give me much cause for it.

When the Leader was in the House, he indicated we will have a later opportunity for questions and answers and the Minister of State may answer some of the questions I raised. Perhaps I will have an opportunity to come back and raise some more questions towards the end of the debate.

Acting Chairman (Senator Maurice Cummins): We have given the Senator some latitude and he may get more from whomever is in the Chair at that time.

Senator Liam Twomey: Senator O'Donovan is correct. He has raised a significant number of issues related to the fishing industry in this country. I grew up in west Cork, not far from

the sea, but with the way life was at the time, I did not have much of a connection with what was happening in our ports. I had little interest in what was going on. Over the past 20 years we have often heard that, to some degree, we sold out our fishing industry to the European Union and we do not get the maximum from our fishing fleet because of the way we negotiated the Common Fisheries Policy over recent years.

If one is not particularly interested in this issue — if one is not a fisherman, does not own a fishing enterprise or is not a politician — one is not inclined to take much notice. We have done untold damage to the potential we could have had from fishing over recent years. It is time to call a halt to this.

I was very interested in what Senator O'Donovan said about the Sea-Fisheries Protection Authority, which has probably done more harm to the fishing industry than any individual enterprise in this country. This view is not a case of making political capital. There was a story in *The Irish Skipper* which described a number of fishing boats pulling into Dingle Harbour. When the Irish fishing vessels arrived, seven State individuals — five sea fisheries protection officers and two gardaí — went towards them to count practically every fish brought in on those vessels. At the same time three Spanish boats pulled into Dingle, with each boat unloading two articulated truck loads of fish while the officers were standing on the quay. The editor of *The Irish Skipper* approached the officials and asked if they were going to check the Spanish boats. To quote the editor, he was told: "Fuck off and mind your own business." That is the quote from our officials when asked if they were going to check the Spanish boats. At the same time those officials checked every fish coming from the Irish boxes. Every fisherman around the country will indicate they must radio ahead with the number of fish on their boats. If they do not follow procedure to the letter, they are fined and penalised through the courts. We are destroying our own fishing industry.

What happens when boats from our European partners come into Irish waters? The Irish Naval Service cannot check if such boats are fishing illegally in Irish waters as all it can do is check the boats' log books. Naval Service personnel cannot open the boxes. When many of these boats go back to Spain, France or Belgium, there is nobody to check them to see if they are fishing illegally in European waters. I am sure officials in the Department are well aware of this accusation.

For example, the equivalent sea fisheries protection officers in Spain are on strike currently, as they have been over the past two years. None of them works after 3 p.m., so the best action for a fisherman to take if he wants to hoodwink the Spanish Government and European Union on the amount of fish being brought in is to return to port later than 3 p.m.

This can be contrasted with Ireland and the way our agencies deal with our fishing boats. It is quite clear they want to destroy our own industry and there is no equal treatment for foreign vessels in our waters. Although EUROSTAT has indicated €2 billion of fish is being brought in from foreign vessels in Irish waters, it does not know this for sure. The Minister has made an evangelical attack on the fishing industry, implying that all fishermen are somehow criminals in this country because they are landing mackerel in Scotland, abusing quotas or landing fish that are too small. There will always be a percentage of abuse in that regard, but the Minister should beware that he does not destroy the industry. Rather, he should seek fairness across the European Union.

When this matter arose I decided I should talk to fishermen to find out what happens. They say that when the Irish Naval Service — boards a fishing vessel, it seldom asks the crew to haul in its nets. The only navy that consistently asks fishermen to haul in their nets is the Royal Navy. In so doing, they check the size of the nets and examine them for modifications. Some countries have a reputation for taking fish of all species and sizes out of the sea. The Naval

[Senator Liam Twomey.]

Service does not ask fishermen to haul in their nets. I believe the same is true of navies in most European countries.

Officials who represent us in Europe need to be more militant at discussions on the Common Fisheries Policy. To some extent we have been soft on the issue because we did not want to upset our European neighbours as we were getting so much from the Common Agricultural Policy. There is a perceived trade-off between agriculture and fisheries. All the talk about quotas and protecting fish is bunkum if we do not watch quotas or are not genuine about conservation measures. It is very nice to put things down on paper and to have a policy but the reality is that the Naval Service cannot check the boxes to see what fish they contain. Fishing boats are going back to French, Belgian and Spanish ports without any real checks as to what they contain. The decision has been made that those fishing fleets are making a major contribution to both the economic——

An Cathaoirleach: The Deputy's time has almost concluded. He has less than one minute remaining.

Senator Liam Twomey: It is a pity I cannot say more. If we are going to fight, we need to seek greater fairness from the European Union, otherwise we are selling out our fishing fleet to no great benefit for the people of Ireland.

An Cathaoirleach: Senator Twomey used a word that is unparliamentary and I would appreciate if he would withdraw it.

Senator Liam Twomey: I will withdraw it but that is the word actually used. It is disgraceful that such a word was directed at what appeared to be private citizens making inquiries.

An Cathaoirleach: The Senator will withdraw that word.

Senator Liam Twomey: I will withdraw it absolutely. I am sorry.

Senator Dan Boyle: I do not think there can be any argument among Members that the Irish fishing has been treated as a Cinderella industry that has rarely lived up to its potential and that its important role in sustaining coastal and island communities has never been fully realised. Much of the reason can be attributed to the nature of the agreement when this country entered the then European Economic Community in 1972. That agreement was favourable to agriculture in general but unfavourable to the marine and fishing in particular. The fishing industry in Ireland has failed to recover from those unsuccessful negotiations. The Irish fishing fleet is a small proportion of the fleet that fishes in Irish waters. France and Spain have far larger fishing fleets in Irish waters. The 36-year period since our accession to what is now the European Union has seen gross over-fishing and the potential that exists for the Irish fishing industry has been undermined further.

Other mistakes have also been made along the way. A strategic decision made in the past 15 to 20 years not to support small and medium sized boats and instead to put taxpayers' money into the type of vessels that were nothing less than vacuum cleaners sent out a very bad message on the long-term viability of Irish fisheries. Those in charge of fisheries policy then made a crude attempt based on the maximisation of income and trying to acquire the largest amount of fish in the quickest possible time. Those two major errors still haunt the Irish fishing industry, and we need an alternative in terms of the strangely unrealised potential for an island nation in terms of our fishing industry.

My father is from an island in Donegal and fishing is very much part of that culture and life. I have received representations since coming to this House in response to recent Government policy calling for an exemption for island fishermen in particular because of their reliance on the industry. I can understand the reason such requests are made and I have some sympathy for that approach, but we live in a climate where there has been an over-abundance of fishing in the past decade. In addition, the scientific evidence indicates that to create a semi-viable industry in the near future means the type of drip-feed fishing that has seen fleets tied up for large proportions of the year and people being unable to make a sustainable living as a result.

Even within the confines of both European Union and national fishing policy there is potential for the fishing industry. The most obvious example is mariculture in terms of the different types of food that can be harnessed from the sea. Efforts have been made in recent years to develop that side of the fishing industry. We have significant problems in terms of the white fish industry and the sustainability of salmon in inland and coastal waters. Conservation is the prime focus of protecting the industry in the future. That said, there should not be any difficulty in a European Union context in re-evaluating where we are and stating that the fishing resources within Irish waters are a natural resource which should be used largely for the benefit of the Irish people and those involved in our fishing industry. In an era when conservation has to be key, a higher proportion of the effect of conservation measures should be felt by those countries that fish most and whose vessels and fleets are the ones inflicting the most damage in terms of over-fishing in Irish waters.

It is a challenge for the Government to face up to that responsibility and to say to partners in the European Union that these waters cannot be fished as they are and that access to them cannot be as open as it has been. If we are really serious about the principles behind conservation we must ensure that vessels fishing are of a specific scale, that they use meshes of a specific size, that the nets are only used to a specific depth and that only certain species can be taken out of the water. It is clear that all of those policies have been breached on a wide scale in the past 20 years at least. Until we get that kind of consistency at a European level, the type of pain being felt by Irish fishermen and coastal communities will not go away.

I hope all Members of this House will send a message to the Government, the Department of Agriculture, Fisheries and Food, and to the Ministers concerned that there is a need for a new approach and to do things differently. We must challenge our partner Governments in the European Union because Irish waters have sustained too much damage and the price has been paid disproportionately by our coastal communities and our fishing industry. Irish waters do not exist to sustain fishing industries and those involved in them in other member states of the European Union. Until we get the balance right we will not be able to bridge the gap in meeting the conservation needs of Irish waters and the world's oceans in general. I look forward to the Government being able to meet that challenge and to its achieving sufficient support from the House to do so.

Senator Phil Prendergast: I welcome the opportunity to discuss matters relating to the fishing industry and thank the Leader for providing that opportunity. For too long our fishing industry has been sidelined in order to benefit other sectors of the economy. Fishermen have paid a high price and it is to their credit that we have a fishing industry. The Government has shown no vision or interest in this sector and that must change.

I am pleased our party leader, Deputy Eamon Gilmore, a former Minister of State at the Department of the Marine, has shown imagination in this area. He is the only party leader to have committed a full-time, Front Bench spokesperson to this area. By doing so, the Labour Party is making a statement of intent. It is the objective of the party to support in every way

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the development of our sea fisheries and aquaculture industry. It is our strongly held belief that there is great potential for growth in this area.

Ireland could easily be described as one big coastal community because nobody lives more than two hours from the sea. It is part of the Irish psyche. We are all familiar with the sea-fishing industry and know how vital it is to the areas where it provides a critical source of year-round employment at sea and on shore.

It is known and widely accepted that the industry has been facing many challenges due to the decline of many commercial fish stocks. It is a sector in which a new restructuring and development strategy is required, as the Labour Party recognises and as the industry would agree. The Cawley report states: “The stark reality is that decisive and radical action is now called for at national and EU level to safeguard the seafood industry, the fish stocks and the future of coastal communities.”

The Labour Party welcomed the findings of the Cawley report. It believes it sets out a vision for a sustainable, profitable and self-reliant industry that will maximise its long-term contribution to coastal communities based on fish stocks restored to sustainable levels in the context of a healthy and diverse marine environment. The Labour Party believes the Cawley report is the road map. However, the party is less enamoured of the Government’s commitment to the industry. So far, there has been a failure on its part to follow through on the findings of the report, one of many reports on which it has failed to follow through.

The Cawley report, which is the Government’s so-called blueprint for the future of the fishing industry, advocated a Government buy-out of 40% of the existing fleet through a decommissioning scheme. The report called for funding of €66 million for this scheme. In last year’s budget, the Government allocated just €21 million therefor. This is a measly allocation and exemplifies the Government’s lack of commitment to the industry.

Boats less than 18 ft. in length have been excluded from the decommissioning scheme, despite the fact that they are often older and in poorer condition than the larger ones. Surely some scheme should be established for these boats and others that are similarly disadvantaged.

The Irish seafood industry generates annual revenue of over €700 million and provides direct employment for nearly 12,000 people. It is the backbone of Ireland’s rural and coastal communities. The Government gives itself a pat on the back and believes it is doing great things for the industry by allocating it a paltry €21 million and devoting to it only six sentences in a Budget Statement. This is not good enough because the industry is on its knees.

What is required is a co-ordinated approach to dealing with the industry. We need a cohesive approach, both within the industry and between the industry and the State, if we are to address effectively the industry’s deep-seated problems and its undoubted potential.

While I welcome the merging of responsibility for seafood with responsibility for the rest of the food industry, there remains a total lack of joined-up thinking and responsibility at Government level. At present, responsibility for marine matters seems to fall between the Department of Agriculture, Fisheries and Food on the one hand and the Department of Communications, Energy, and Natural Resources on the other, with the Department of the Environment, Heritage and Local Government, the Department of Transport, the Department of Community, Rural and Gaeltacht Affairs and the Department of Arts, Sport and Tourism also involved at some level. There was an astonishing exchange in the Dáil last year in which the then Tánaiste, Deputy Brian Cowen, in the absence of the then Taoiseach, was asked which Minister was responsible for certain fisheries legislation. He did not know until some helpful colleague told him it was the Minister for Communications, Energy and Natural Resources, Deputy Eamon

Ryan. If a senior member of the Government does not know who is responsible, it does not say much for our chances.

I urge that we follow the lead of the European Union in this matter. Last year, it launched an integrated maritime policy that links up all the various areas of the marine industry — for example, fishing, tourism, shipping, seafood, marine research and transport. It should be noted that the ocean economy currently contributes €3 billion per annum to Ireland's GNP when one takes account of income from fishing, aquaculture, food processing, shipping, tourism, IT and financial and other services. Nevertheless, it is a relatively underdeveloped sector of the Irish economy. Danish productivity is four times higher and that of the Netherlands, which has a significantly smaller coastline than ours, is five times higher. Ireland is simply not at the races in this regard. The fragmented and disorganised manner in which this Government deals with the marine industry must be changed.

The cost of fuel is an important issue for fishermen. Oil prices have been falling and the difficulties have been alleviated somewhat as a consequence, but it is by no means a fact that prices will remain at their present level. Some claim the price of oil may eventually reach €400 per barrel; I shudder to think of the consequences. The Government must be more proactive on this matter and must show some leadership thereon at EU level.

There is a total lack of traceability in the fishing industry. The Government is making little or no effort to implement a traceability policy. Irish people who go to a supermarket or restaurant to buy fish are more likely to receive fish imported from outside the European Union than fish caught by Irish fishermen in Irish waters.

Much good work has been carried out in recent years on food traceability, particularly regarding meat and meat products, which we acknowledge, but the fishing industry has been ignored. The Irish would buy Irish fish every time if only they were allowed to make an informed choice. We must implement a fish traceability policy urgently so Irish people will know what they are eating.

There are many structural problems in the fishing industry and there appears to be no political commitment from the Government. It is the forgotten industry. There is potential for growth but the industry needs concrete support from Government. Lip service will not suffice. The Government's failure to implement fully the Cawley report's recommendations is a symptom of the disregard for the industry and the thousands of people who rely thereon.

I thank the Minister of State, Deputy Sargent, for listening. He has engaged with some of my comments and I hope we can have a meaningful debate on the issues that arise.

Senator Ned O'Sullivan: I wish to share two minutes of my time with Senator Mary White.

An Cathaoirleach: Is that agreed? Agreed.

Senator Ned O'Sullivan: I welcome the Minister of State, Deputy Sargent, to the House. I wish him well in the current negotiations, which are very important to us. We were successful this time last year in very difficult circumstances but we are obviously in more straitened circumstances now. I wish the Minister of State well in renegotiating the Common Fisheries Policy, in which the Irish do not have any great pride, as other Senators stated. This contrasts with farmers' support for the Common Agriculture Policy and their sense of ownership thereof. Fishermen hold the direct opposite view to farmers in respect of the Common Fisheries Policy, yet the fishing industry is still very important to the country.

The fishing industry is worth €700 million to the economy and it employs 11,000 people. It is particularly important in remote, peripheral areas such as the south west and the north west, in which there is no alternative employment. Very few industries are locating in towns such as

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Castletownbere or Dingle. Much of the tourism appeal of such areas is based on the fishing industry, the piers and the excitement of landing fish.

I am glad the Minister of State, Deputy Sargent, is present because nobody has done more than him to promote healthy living and the concept of Ireland as a country with healthy food. As spokesperson on food and horticulture in the Seanad, I am aware of his great work in promoting country markets. My one disappointment — I depend on my better half for this information because she goes to her fair share of country markets — is that while there is now an increasing variety of home-produced foods, the amount of fish available is disappointingly small. At some country markets there is no fish. Where there is fish, the variety is very limited and it is usually sold out by mid-morning. I would like the Minister of State to ascertain the problem in this regard, bearing in mind that there is no shortage of fish. Is there a shortage of initiative? Is it because of the nature of the product and its perishability?

We have succeeded in promoting the idea that Irish beef is premier in the world. We have not succeeded in getting across the same idea in respect of our fish products. I referred before to the notion that Norway is the home of fish. There are Norski fishbars around the world but there is no such image of Ireland, an island nation, being a producer of a good fish product. We have the name for whiskey, Guinness and beef but what is wrong with our fish? There is something wrong in the promotions line.

I notice lately that many pubs and restaurants in the city are making much more use of the wide variety of our native shellfish. It is quite common now to see oysters available in pubs and oyster bars and a person can have mussels or smoked salmon for lunch. The situation is improving all the time. This increase is important and we must build on it. None the less, when our own cafeteria serves fish, nine times out of ten it will be cod and one can eat cod only so many days a week. Cod is of very little value to the Irish economy because a great deal of it is Norwegian sourced.

The one major breakthrough, as mentioned by Senators O'Donovan and Bradford and others, is the big increase we got in the quota for mackerel in the current year. This is important and was a great achievement by the Department and the Minister. As the Minister of State acknowledged in his speech, much of it is down to the good responsible fishing practices of the Irish fleet. Mackerel is making significant prices on the market at present and is a very valuable contributor to the overall economy. However, as Senator O'Donovan said, it is of value principally to the main trawlers, the very big operators. It is of very little value to operators such as Ó Catháin Éisc in Dingle which lands catches from smaller vessels. Of these additional mackerel to be caught, 75% will be landed in Scotland or Norway. If we could get more of that quota for the smaller mixed vessels, it could be landed in Dingle, Castletownbere, Waterford, Galway, etc. and would be of benefit to the overall economy. I understand that representatives of the four ports involved are seeking a meeting with the Minister and I am sure he will oblige them by discussing this point. Ó Catháin Éisc employs 80 people in Dingle and is the biggest industry in town. I am advised that if it does not get additional fish, it will not be able to sustain such levels of employment.

I have some brief Kerry-based issues. In Cromane last year there was a danger to the continuing industry of mussel farming because of the special area of conservation, SAC, designation. That has been resolved *pro tempore*. There are equal worries now in Kenmare, around the Kenmare river and Killmackilloge that because other areas are being sectioned off as SACs, there will be a detrimental effect on agriculture in the area. I have raised the issue of Fenit before. Fishermen there who fish for oysters and lobster in season are obliged to take out separate licences for two boats. This is ridiculous because they can fish for both species off the same boat in different seasons. I ask the Minister of State to examine this.

Senator Mary M. White: I welcome the Minister of State, Deputy Sargent. I take this opportunity to talk about the special protection area, SPA, and special area of conservation, SAC, designation threat to Wexford Harbour. The mussel industry in Wexford Harbour has spanned three centuries and today exports up to 20 tonnes of live mussels to the Continent, providing much needed revenue for Wexford and the south-east region. Investment in the fleet since 2001 has been approximately €30 million and total employment, between boats and onshore activity, involves more than 150 people.

The greatest threat today is the introduction of the SAC designation to the largest bottom-culture mussel industry in Ireland and the British Isles. If an SAC is placed on the lucrative mussel seed grounds just outside Wexford Harbour, this, together with the Wicklow bed SAC, will be a major threat to the mussel seed supply. The introduction of a special area of conservation prevents any vessel entering and gathering the much valued local mussel seed which is the lifeblood for the continued prosperity of the industry. Without access to this seed, the industry will die and the investment of €300 million will be lost to Wexford and the State. This threatened designation will produce a loss of up to €20 million in revenue for Wexford town, which will in turn have a considerable impact on restaurants, pubs, hardware merchants, engineering suppliers, etc and will be a threat to the local economy. It will result in the curtailment of urban and rural renewal.

I take this opportunity to wish well the senior members of the Department of the Marine, the Secretary General, Mr. Cecil Beamish, and Ms Josephine Kelly, who will be working on behalf of all the areas in Ireland affected by the threats of SAC and SPA designation. I dare to be unconventional and perhaps break protocol by saying that I hope and am sure they will wear the green jersey for us in Brussels.

Senator Feargal Quinn: I also welcome the Minister of State, Deputy Sargent. I grew up in Skerries, the Minister of State's part of the world, and spent my summers there way back in the 1940s. I saw the importance of the fishing industry then but when I go there now I realise things have changed. Clearly, there is a threat to traditional fishing. I am glad the Minister of State is in the position he is because if anything can be done, he has some chance of doing it.

Later in life when I opened a supermarket in Finglas, I ran foul of the wholesalers by claiming that we bought directly from the fishermen in Howth. There was a fishermen's co-operative there and it was a wonderful way of ensuring we got fish to our customers that was caught within the previous 24 hours. We were not able to do that in the long term because of restrictions and restraints on trade. The wholesalers threatened to sue me because they claimed there was a suggestion that the fish they supplied would not be as fresh as the fish we bought directly from the co-op in Howth.

I am concerned to be told that at present only one of the traditional fishing boats goes out from Howth with the fleet, fishing on that basis. We have heard much talk about the change in the market. The other boats are now fishing for razor fish and other fish that were not traditionally fished. For reasons of taste and health, fish and seafood are products that offer great opportunities in the future. They will not necessarily be the lowest cost products one can buy but I believe they have a future and we must work to ensure we succeed.

I was in Ballyvaughan last Saturday and went to a lovely restaurant called Monks. I was impressed to go into that restaurant at lunchtime to discover that my wife and I were the only Irish people there. This was in the middle of the Burren, the place was packed and everybody was eating fish. There clearly is a need and demand for it. People will beat a path to the door of somebody who offers something unique and it is obvious there are opportunities throughout the country to do this. On one occasion I was the prime visitor for the Galway oyster festival.

[Senator Feargal Quinn.]

That is the type of marketing that offers opportunities for fresh fish in Ireland and puts it on our plates and on our agenda. This is threatened by the quotas that are to be introduced.

In the matter of spiralling costs, fishermen argue they should be allowed to catch more fish than is permitted under the current quotas and they call for an end to the obligation whereby they must throw away fish banned under current rules. This could be replaced by a rule on how many days a vessel can spend at sea.

However, the possibility of raising quotas must be questioned. We must fish less to nurture fish stocks back to their former productivity and give them a chance to recover. There are fewer boats now but this does not mean that fishermen are heading for extinction. Today's boats are more capable, have better engines, hull designs, nets and electronic gadgets that lead them straight to the fish. A rule of thumb says that there is a 2% technology creep per year. I love that term. Even if fish stocks were stable, Europe would be required to scrap many boats every year to maintain a sustainable industry. The Minister of State, Deputy Killeen, provided details of the decommissioning scheme.

On Monday last, the European Commission proposed a 25% reduction in overall fishing in Europe and an increase in cod fishing in the Celtic Sea where cod stocks are considered to be sufficiently strong to support higher quotas. However, the Environmental Protection Agency reports that cod stocks in the Irish Sea are now considered "to be in a state of collapse" and are expected to decline further in 2008.

Ireland's fishing fleet should operate in an environmentally sustainable manner. To this end, a long-term strategy needs to be developed to achieve a profitable and sustainable future. Raising fishing quotas would reduce the small chance we have of securing a sustainable fishing industry. There are no easy solutions to the challenge we face.

Thousands of Irish fishermen argue that their livelihoods are under threat as a result of the increasing cost of diesel and have called for fuel prices to be addressed, perhaps by means of subsidy. While I sympathise with the hardships experienced by fishermen, sympathy must be balanced with a detached consideration of the state of the sea's fishing stocks. Since 2004, there has been a 240% hike in the price of fuel, which now accounts for approximately 60% of fishermen's costs. However, the use of fuel subsidies must be questioned because fleets around the world are using more fuel as they contend with falling fish stocks. The availability of fewer fish is the reason more fuel is used per tonne of catch. Today's boats burn in excess of four times more fuel than previously to catch one tonne of fish, despite having much more efficient engines.

Fishermen want subsidies to cut the price of marine diesel by 40% or more. Marine diesel is already effectively subsidised as it is tax free. Many experts argue that more subsidies would reduce the already slim chance of Europe ever having a sustainable fishing industry. The European Commission reports that an incredible 88% of EU stocks are over-fished compared to a global average of 25%. With the development of industrialised fisheries in the decades since 1950, the resource base has rapidly declined to less than 10% of its original size. While these figures are dull and boring, it is worthwhile to place them on record.

The road haulage sector, agriculture and those involved in transport seek compensation for increased fuel prices. The fishing industry argues that it is unique in this regard as it cannot hike up the price of fish to combat higher operating costs. We must, however, consider the experience of other countries. Canada's eastern cod fishery in Newfoundland closed nearly two decades ago and has not recovered, and its fish stocks may never fully recover. A great world resource was lost due to over-fishing. In the event that some aid is considered for fishermen, leadership will be required to link it with measures, including policing, to make fisheries sus-

tainable and productive for future generations. We must do all in our power, however small, to protect this great resource. We face a challenge for which there are no easy solutions. Moreover, resolving the problems faced by the fisheries sector is a matter not only for Ireland but also for others.

On the new safety recommendations for fishing boats, an inquiry into the sinking of the *Père Charles* fishing boat with the loss of five lives off Hook Head in January 2007 recommended that marine authorities should establish port training courses to spread a culture of safety throughout the fishing fleet. The report states that such courses should include education on the dangers associated with carrying out structural modifications to fishing vessels. While all fishing vessels are now subject to stability tests, the report recommends that the Department of Transport should carry out full reassessments of survey requirements on fishing boats to ensure sufficient personnel are on board to enforce safety regulations. I would welcome an explanation of how far these measures should go. The Government should take up these essential recommendations as they could save lives. It is important that we learn the lesson of the tragedy of the *Père Charles* accident and other recent tragedies on our coasts.

Two other recent incidents draw attention to the need for more safety regulation. On 19 January this year, a fire broke out on board the 33-metre, United Kingdom registered fishing vessel, *Shark*. Initial attempts by the 15 crew to fight the fire were hampered by a loss of fire fighting water when electrical supplies were burnt through. In addition, the emergency fire pump was defective. While the captain tried to starve the fire of oxygen, he was hampered by faulty ventilation isolating valves and had to stuff rags around the ventilation terminals. The fire was extinguished when the Irish naval vessel, *LE Eithne*, arrived on the scene and transferred a fire party.

Four days later, *Royalist*, a 36-metre, United Kingdom registered fishing vessel carrying 18 crew, was about to shoot her nets approximately 290 km off Dingle when she was hit by a large wave which caused her to heel. The vessel was beginning to right herself when she was hit by a second wave, forcing the crew to abandon ship. The crew of a French vessel heard *Royalist's* distress message and immediately cut nets and went to the stricken vessel, rescuing all 18 of the *Royalist* crew before it sank. I raise these incidents because more stringent training requirements are needed. I ask the Minister of State for his views.

Senator Brian Ó Domhnaill: This debate on the fishing industry is timely. Fisheries are one of the few natural resources available to this island. Generations of families have earned a livelihood from fishing at sea. County Donegal, with its extensive coastline, is not an exception and has many fine fishing ports, notably at Killybegs and Burtonport. Fishing activity also takes place at Arranmore Island, Magheroarty, Port na Blagh, Fanad, Downings and other areas. The fishing industry has always been vitally important to the economy of County Donegal.

This debate offers Senators an opportunity to learn, in generic terms, about the difficulties facing the fishing industry. These date back many years and are, as the Minister of State, Deputy Killeen, noted, primarily a consequence of increased fuel costs. I welcome the findings of the Cawley report on the seafood industry, a sector which generates income in excess of €700 million and provides employment for a large number of people. I also welcome the Department's role in developing the fishing industry because it is important to give confidence to the families and communities who depend on it.

Many of those living in fishing ports such as Killybegs have noted a sharp decline in the number of fishermen since the 1980s and 1990s. This reduction has arisen as a result of quota restrictions and the high costs associated with going out to sea. The Government must recognise the impact this has had on many families, not only those with members at sea but also those working in fishing ports and the factories surrounding them.

[Senator Brian Ó Domhnaill.]

During my time working in a fish processing factory for a year after graduation, I noticed that the stock caught at sea was taken ashore and exported without the use of secondary processing. Processing activity generally involved whole-packing fish. We should consider ways of adding value to the fish stock harvested from the sea, particularly given the depletion in fisheries. For example, some of the jobs involved in packaging and exporting whole fish need to be diversified.

The role of drift net and draft net salmon fisherman is one of the most important issues to have emerged in recent years in fishing communities along the coast of County Donegal. I am referring in particular to the drift net hardship scheme which many fishermen availed of. However, other fishermen did not take up the scheme, predominantly because they wanted to continue to fish. There are fishermen on Arranmore Island who did not take up the salmon hardship scheme as a result of the decommissioning, because they believed it was their only livelihood and they did not want it taken away. There are fishermen on Inishbofin in County Donegal who equally did not take up the salmon hardship scheme. Those fishermen have come together, formed a group and made representations to the effect that the islands should be exempt from that scheme. I am not sure how realistic scientifically that is, but it should be looked at. I call today for the Department to look at the proposals put forward by the fishermen of Arranmore and Inishbofin and, if there is scope, to allow them to remain at sea for salmon fishing. However, if the Department is of the view that there is no scope for allowing them to remain at sea in the short term, they should be told this quickly, so that they may plan for the future and avail of the hardship scheme that I hope will be available to them.

The initial compensation scheme was available to the fishermen individually. Then there was a generic scheme which was made available to the communities they represented. It is important that the hardship scheme should be now rolled out to the areas affected so that tangible benefits may be seen on the ground in those places that have experienced decommissioning, namely the areas that have lost employment as a result of the cessation of the salmon fishing.

Another issue is draft net fishing on the River Foyle in County Donegal. A large number of fishermen have approached me about the way the Loughs Agency has handled the decommissioning package on the River Foyle. I understand some 40 fishermen availed of the decommissioning package. A further ten on the southern side of the River Foyle remain fishing, but about 15 fishermen were refused licences on the river. Most of these are elderly pensioners, some of whom may be ill and unable to fish, requiring the assistance of senior helpers fishing on their behalf for a short number of years. I call on the Minister of State, Deputy Michael Kitt, to inform the Department that this is a very serious issue. Fishermen feel wronged. Men who have fished there since the 1920s and 1930s are now being refused licences because of technical clauses drawn up by the Loughs Agency. The decommissioning scheme on the River Foyle has been supported by both Irish and British Governments. I call for the concerns and views expressed by the fishermen concerned to be investigated. I can make the details available to the relevant Minister because those families believe they have been wronged. Given that the Irish Government has put money into the scheme, that matter should be investigated because the families are not getting answers from the Loughs Agency, which is established in and working out of the city of Derry. They deserve answers, regardless of whether their view is right, because they are citizens of this Republic. Those are the two key issues I wanted to raise, the salmon fishermen in the Republic and the draft fishermen on the River Foyle.

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael P. Kitt): I am responding on behalf of the Minister of State, Deputy Tony

Killeen, who has been greatly heartened by the level of informed debate generated in this Chamber and has noted the contributions made. He wanted to address the topic of harbours, which has been repeatedly referred to in this House. The Minister of State's earlier contribution and most of the subsequent inputs by Members of the House focused on the fishing industry and in particular the catching sector. The success of the fishing fleet is significantly impacted upon by the infrastructure that supports it.

I want to refer in particular to the six fishery harbour centres for which the Department has management and developmental responsibility. These centres are located at Howth, Dunmore East, Castletownbere, Ros an Mhíl, Killybegs and Daingean Uí Chúis. In addition, the Department provides significant capital funding for the smaller fishery harbours under the control of local authorities throughout the country. While the primary activity at the fishery harbour centres is associated with the fishing industry, the business profiles of the harbours differ greatly. Killybegs, as well as being Ireland's premier fishing port, has significant potential for commercial traffic and is currently being utilised as a base for vessels servicing the offshore oil and gas industry. A €50 million development has been completed at Killybegs and this year the Department commissioned the Killybegs Fishery Harbour Centre marketing strategy which was launched in April with a view to leveraging this investment and providing extra employment in the area.

Ros an Mhíl, in addition to fishing related activity, is the primary point of departure to the Aran Islands and facilitates the transportation of in excess of 200,000 passengers per annum. Howth has significant leisure activity which runs in parallel to the fishing industry. Dingle Fishery Harbour Centre, in addition to providing valuable support to the fishing industry, plays a pivotal role in the marine leisure and tourism industries.

The Department is of course mindful of the ever-changing environment in which the fishery harbour centres operate, and the need to develop and manage each of them in a businesslike and commercial manner. With this in mind it has set about compiling a five-year business plan for each of the fishery harbour centres. The Minister of State hopes to be in a position to launch these plans formally in the near future and is confident that these, together with initiatives such as the Killybegs Fishery Harbour Centre marketing strategy, will form the blueprint for the continued success and future strategic development of the fishery harbour centres.

In addition to the management and operation of the six fishery harbour centres, the Department provides significant capital investment for the development of both these centres and other fishing harbours throughout the country. In line with our commitment published in the agreed Programme for Government 2007-2012, the Department has allocated in excess of €23 million in funding in 2008 for the development of the country's fishery harbour infrastructure.

Castletownbere alone has been allocated more than €8 million this year for the continued development of the harbour. Development at Greencastle continues, with the construction of the breakwater well under way and an allocation of €3.6 million from the Department in 2008. This project deserves special mention as it highlights the positive benefits of co-operation between various stakeholders. The harbour is owned by Donegal County Council but the infrastructural development work is being carried out by the Department's engineering staff. Funding is being provided jointly between this Department, the Department of Community, Rural and Gaeltacht Affairs and Donegal County Council, with the Department of the Minister of State, Deputy Killeen, being the main financial contributor at 75%.

It is important to illustrate some of the positive actions being taken to improve the infrastructure used by the fishing fleet in support of the wider delivery of much needed jobs in our diverse coastal communities. In all, the Department has this year allocated funding for 69

[Deputy Michael P. Kitt.]

different projects at 45 different location and will, in 2009, continue with a programme to provide safe and modern harbour and aquaculture landing facilities for all our fishermen.

I refer to the whole issue of administrative sanctions which was dealt with comprehensively by the Minister for Agriculture, Fisheries and Food, Deputy Brendan Smith, in his addresses to both Houses of the Oireachtas in July. I will now summarise the situation. The possibility of introducing administrative sanctions was comprehensively considered, including an examination of practices in other member states, at the time of the passage through the Oireachtas of the Sea Fisheries and Maritime Jurisdiction Bill. The position taken by the Minister at the time was based on the legal advice from the Attorney General. The Minister, Deputy Smith, and the Minister of State, Deputy Killeen, gave a commitment to the Federation of Irish Fishermen to ask the Attorney General to examine the issue further and consider if any new developments could support the introduction of a regime of administrative sanctions for fisheries offences here.

The Minister, Deputy Smith, subsequently wrote to the Attorney General seeking a review of the situation. The Attorney General replied in unequivocal terms to the effect that there have been no new developments which require a change and furthermore, for constitutional reasons, the State is obliged to choose the criminal sanctions option rather than the administrative sanctions option. The Minister and I, as responsible legislators, have to accept the advice of the Attorney General on this matter. The advice from successive Attorneys General has been consistent.

An issue which has been the subject of much public debate is discards, or the dumping overboard of unwanted or over quota fish from a fishing vessel. This is a complex global problem and is a feature of many fisheries, particularly those that involve a mix of species, for example, cod, haddock and whiting. In a mixed fishery, one species may be the target of fishing activity, but other species, which are unwanted, for which the vessel has no quota, or for which the quota has been already been exhausted, may be caught accidentally in the fishing gear. Quota species taken in excess of quota, or for which a vessel has no quota, may not legally be landed. This can result in the unwanted fish being discarded. Discarding can also occur for economic reasons when smaller, less valuable fish are dumped in favour of larger, more marketable ones, a practice known as high-grading. In other cases the fish captured are less than the minimum landing size for that species. Most of the fish discarded do not survive.

This problem is being addressed at a European level through measures regulating fishing gear, such as adjusting net mesh sizes or requiring acoustic devices to be attached to fishing gear. The Marine Institute and BIM continue to be active in trying to improve the existing data on discards and develop ways of reducing their impact. The level of Ireland's concern in this matter can be evidenced by the development of a proposal to help address discards in the nephrops fisheries around Ireland. This proposal has been presented to the European Commission and the other main players involved in this fishery.

Compliance with the EU habitats and birds directives has also been a significant issue for the Department in recent times. I do not intend to dwell too much on what is a hugely complex subject. The European Court of Justice issued a judgment on 13 December 2007 against Ireland in regard to non-compliance with the birds and habitats directives. A working group was established including officials from this Department, the national parks and wildlife service, the Marine Institute and BIM to develop a time bound plan that will enable Ireland to achieve compliance with the directives.

Fishing activity in Natura 2000 sites can pose a risk to the conservation status of these sites which are protected by the habitats and birds directives. Managing the risk posed by fishing

activities, in combination with other industrial or recreational activities, is a significant task. The directives outline procedures for assessing and managing risk in Natura sites involving the collection of baseline data to establish conservation status. The baseline data required for the designated areas must first be collected and then an appropriate assessment carried out on the area based on this data.

The process of collection of baseline data to establish the conservation objectives and status of Natura sites is under way but has not yet been completed, and €1.46 million has been set aside in 2009 specifically to support this process. The work of the working group is continuing, and as recently as Tuesday, 11 November a meeting took place to further the aim of having a process in place which is sufficiently robust to meet the requirements of the European Commission, in particular the environment directorate general.

I refer to the question of finances and the 2009 budget as it pertains to the seafood sector. The budget provided grant aid support of €118 million for the seafood industry for 2009. In this era of financial restraint, this a substantial investment and demonstrates the Government's ongoing commitment to the sector. There are reductions in the budgets of the Marine Institute, BIM and the SFPA, as part of a prudent realignment and rationalisation of the public sector. This does not disguise the fact that the seafood processing sector has in fact doubled its budget, which is recognised by Dr. Noel Cawley in his report, *Steering A New Course*, as a growth area.

I previously referred to €1.46 million which has been set aside specifically to support compliance of fisheries and aquaculture activities in Natura 2000 sites. A further €5 million has been made available for aquaculture development support. In addition, funding has been provided to enable the successful completion of the current decommissioning of fishing vessels scheme. I referred earlier to the fishery harbour and coastal infrastructure programme, which has been allocated €17 million in 2009. This ensures that there is substantial scope for further improving facilities for fisheries activities operating out of Irish harbours. The budget allocated to this programme will be used to continue the development of infrastructure for fisheries and aquaculture landing places around the coast.

The Minister for Finance, Deputy Brian Lenihan, also announced in the budget that the promotion and marketing of seafood will be transferred from BIM to Bord Bia, offering the prospect of synergies and opportunities that will result from the integration of seafood marketing and promotion with food marketing. BIM will, however, retain its pivotal role in driving the Cawley report on the development of the seafood industry.

As in any other economic activity there are a myriad of factors impacting on the broader seafood sector at any given time. The Minister of State's opportunity to address this House has allowed him to touch on some of these, and he hopes that the Senators find themselves better informed for this session. Since taking this brief, the Minister of State has consistently stated his firm belief that this is not a sunset industry; quite the contrary, there are always new opportunities presenting themselves and new horizons to be achieved. The Minister of State's prime role is to ensure that the environment exists to enable the maximisation of our potential. To do this he will continue in his efforts, in a co-operative framework, taking account of the needs and views of all stakeholders to develop measures and policies which will have the best long-term beneficial results for this sector.

Sitting suspended at 1.30 p.m. and resumed at 3 p.m.

Criminal Assets Bureau Annual Report 2007: Statements.

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I am grateful to the Seanad for this opportunity to talk about the Criminal Assets Bureau and its work. The

[Deputy Dermot Ahern.]

bureau has been very successful over the years in tackling criminals in an effective, visible and tangible way and has become a very open way for the public to see the law enforcement agencies of the State having a real effect on criminal activities. The 2007 annual report demonstrates the effectiveness of the co-ordinated multi-agency approach in dealing with the proceeds of crime.

While we are here today to talk about the CAB and its activities, it would be remiss of me not to take the opportunity once to again extend my condolences to the family and friends of Shane Geoghegan who died so tragically in Limerick this weekend. I know that all Members of the House will join with me in their condemnation of this callous killing.

I also know that all Members of the House will fully support the efforts of the Garda Síochána to bring the perpetrators to justice. For its part, the Government will continue to provide the Garda Síochána with all the resources it requires to tackle gangland activity. A relevant example of this is an increase of €1.5 million in the Criminal Assets Bureau budget for 2009. With the indulgence of the House, when replying to the debate, I will deal in more detail with this dreadful killing and with any issues Senators raise in this regard.

It would also be remiss of me not to congratulate the drugs joint task force on the major seizure of cocaine off the south-west coast last week. This operation, involving the Garda Síochána, Customs and Excise and the Naval Service working closely with our international partners in the Serious Organised Crime Agency, SOCA, in the UK and the Maritime Analysis and Operations Centre (Narcotics) in Lisbon, is an example of what can be achieved when we collaborate and work together for the common good. I hope Senators join me in applauding all involved.

This effort by the joint task force is especially relevant today as the Criminal Assets Bureau is, in effect, another joint task force. Bureau officers come from a range of State agencies, not just the Garda Síochána. Officers of the bureau who come from, for example, the Department of Social and Family Affairs or the Revenue Commissioners also retain their powers as officers of their parent organisations. This has resulted in an effective organisation which can draw on a wide range of powers in a co-ordinated manner. The bureau can also draw on a wide range of intelligence sources and can leverage effectiveness from these sources. That is and has been bad news for criminals.

I am sure we all remember only too well the dark days preceding the formation of the bureau when it appeared the State was impotent in tackling the menace of the drugs gangs and their murderous associates. The State needed to assert its authority and the new type of organised criminal needed a new response. Respond we did. The co-ordinated multi-agency bureau set up to focus on the proceeds of crime was one of the first of its type in Europe and the powers given to it were far-reaching. The bureau represented a new form of policing designed to disrupt and disable the capacity of targeted individuals from participating in further criminal activity. Criminal investigation could continue while a financial investigation, a tax examination and a social welfare examination proceeded.

While never giving up on the criminal investigation, the proceeds of crime became an equally legitimate target for law enforcement. The law-abiding public was rightfully disgusted at seeing drug dealers and other criminals exhibiting their new properties, cars and cash in the faces of communities that were suffering from the ill-effects of drug dealing and other nefarious activities. Therefore, I believe these Houses took the correct measures in 1996 when they established the CAB. That decision has been vindicated every year since.

We are here today to examine what the bureau achieved in 2007. The 12th annual report of the bureau was published last week. It clearly highlights the success over the calendar year

2007. During this period, the bureau obtained interim orders to the value of almost €10 million and interlocutory orders — final restraint orders — to the value of more than €6.5 million. These are impressive figures.

However, it is important to note that targeting the assets of lower ranking criminals will not be as lucrative for the State in terms of moneys seized. That said, it is no less worthy an action to take. The more middle ranking criminals, who are often well known as drug dealers in local areas, are a constant source of anger and irritation for parents and community workers doing their best to protect their youth and keep their local community safe. We did not set up the bureau to make money but to deprive individuals from benefiting from the proceeds of crime. In terms of community confidence and support, it is very important to show that all criminals may be subjected to the CAB process and that all assets in excess of €13,000, approximately, are liable to be frozen.

I should also address another community issue that consistently draws attention, namely, that moneys seized and forfeited to CAB should be re-invested into the local communities from which it originated. To agree that revenues secured through CAB be allocated for drugs victims, for example, would mean that the treatment of drugs victims would be financed, in part at least, by uncertain and variable revenue sources. It would also mean that a fall in revenue from one particular source would lead to a fall in expenditure in that local community, irrespective of the problems it faced. With that in mind, I do not propose to alter the current arrangements. The Government will continue to draw on the central fund for all necessary public services and investment.

An important function of the bureau is to implement taxation laws. It has found the Disclosure of Information for Taxation and Other Purposes Act 1996 to be particularly useful and the provisions were used extensively in 2007 to allow for a transfer of information between the Revenue Commissioners and the bureau. Many tax investigations were concluded by agreements providing for the payment of tax, interest and penalties. During 2007, the bureau issued tax demands for more than €19 million and collected in excess of €10 million in taxes and interest.

In terms of social welfare, the bureau saved the State more than €550,000 and recovered in excess of €136,000. While this may seem like a smaller element of the CAB process, it is another piece in the jigsaw that helps the bureau to form a clearer picture of those with whom it is dealing. Many Irish criminals feel they have an absolute entitlement to welfare payments irrespective of their earnings. Stopping these payments and entitlements is an irritation for many criminals and represents another disruption to their activities.

As each year passes, it appears that more and more crimes have an international element to them. International co-operation is no longer an aspiration but an essential element of most CAB investigations. Co-operation remains high with most of its European and international partners, even though the non-conviction based approach to asset forfeiture presents difficulties for many European countries. The further development of links with asset recovery agencies in other jurisdictions continues to be a key feature in ensuring criminals cannot use international boundaries as a means of evading investigation and asset seizure.

Co-operation with the United Kingdom remains a high priority. Difficulties presented by Her Majesty's Revenue and Customs, HMRC, legislation early in 2007 were quickly addressed and amended by the British Government. The CAB was instrumental in the establishment of the European Camden Asset Recovery Inter-agency Network, CARIN, which is going from strength to strength. The CAB participates in the United Nations inter-governmental working group on asset recovery and is a member of an important European Commission expert group on this issue. In 2008, the bureau has continued to successfully pursue its remit of seizing the

[Deputy Dermot Ahern.]

assets of those who seek to benefit from criminal activity. I will now briefly outline some of the new developments in this regard.

Ten additional staff have been recruited in 2008, comprising five gardaí, two financial analysts, two tax officials and an additional administrative assistant. This has allowed the bureau to establish an additional team in 2008 which will provide the bureau with more flexibility regarding the assets it targets. I am informed by the chief bureau officer that all his teams are now targeting high and middle ranking criminals. The depth of experience at the bureau is continually increasing and its approach has intensified in 2008. This should address understandable community concerns that the bureau should focus on all criminals who are parading their ill-gotten assets in the face of local communities and not just the Mr. Bigs. The bureau appointed two additional financial crime analysts in 2008. As it now has to delve deeper into the financial affairs of many of their clients, the additional analysts provide great assistance in carrying out forensic analyses of efforts to hide assets and launder the proceeds of crime.

A further important development in 2008 was the rapid expansion in the number of trained asset profilers working all over the country. At the end of 2007, 28 fully trained assets profilers were employed but the figure has more than trebled in 2008. This should alleviate concerns that the bureau is only focused on criminals in the main urban centres. The profilers have become an invaluable resource in doing the bureau's early groundwork on possible targets and in keeping it informed of developments at local level. While the profilers are based outside the bureau, their work is embedded in it. This is a very positive development.

I do not wish to give Senators the impression that the Criminal Assets Bureau is the only tool available to disrupt and dismantle criminal groups. Criminal investigations followed by conviction must always be our main priority. The bureau is only one element of the criminal justice system, albeit an extremely effective one.

I am happy to report to this House on progress made by CAB in 2007. When the bureau was first established in October 1996, I do not believe anyone could have foretold the levels of its success. From its statutory inception to 31 December 2007, the bureau has obtained interim and final restraint orders to the value of over €71 million and €35.5 million, respectively. In the same period, taxes and interest demanded was almost €122 million and over €118 million was collected. Savings on social welfare payments amount to over €3.5 million and recovery of overpayments amounted to over €2.5 million. On behalf of the Government, I commend detective chief superintendent John O'Mahoney and his team on their achievements during 2007 and I look forward to further successes in the future. I have no doubt that the bureau will continue to be a thorn in the side of criminals.

Senator Eugene Regan: I thank the Minister for presenting this report to the Seanad in person. At the beginning of his contribution, he stated: "I am sure we all remember only too well the dark days preceding the formation of the bureau, when it appeared the State was impotent in tackling the menace of the drugs gangs and their murderous associates." I wonder what has changed? The situation has greatly deteriorated since the dark days leading to the murder of Veronica Guerin and it is misleading to suggest matters have improved.

When the Minister refers to the State's response, we should be clear that the decision to establish CAB was made by a Fine Gael-led coalition Government. In light of the bureau's welcome impact in terms of tackling organised crime, the then Fine Gael Minister for Justice made the correct decision. It is unique in Europe in its use of the civil standard of proof in confiscating assets. Its approach has passed constitutional muster despite a number of challenges, as outlined in its 2007 report. The primary objective of the bureau from its establishment has been to deprive criminals of the proceeds of crime and to target professional criminals and

drug barons. The decision to target middle ranking criminals is also important, however, in terms of dealing with the full array of actors involved in the drug trade.

The Minister correctly described the bureau as an excellent example of a multi-agency approach. The previous approach in this area, whereby the Garda Síochána, the Revenue Commissioners and Departments addressed issues as they fell within their respective functional responsibilities, simply was not working. The multi-agency approach which the 2007 report clearly outlines is an essential ingredient in the bureau's success.

The report sets out in clear and precise terms the personnel involved in the bureau and their expertise in the area of financial crime analysis and asset profiling. It reveals the level of professionalism involved in this task. The increase in resources is welcome because it will allow the bureau to maintain its record of success. The report outlines the various instruments which the bureau can use and the actions it can take in the courts, such as appointing receivers and making disposal orders. It also sets out the actions initiated under the taxes Acts. Assessments of tax were raised on 21 people in 2007 as a result of investigations by Revenue officers. Similar adjustments were made in respect of social welfare. Many of the people involved in criminal activities assume they have an automatic entitlement to social welfare and other benefits afforded by the State to those in need, irrespective of their income levels or source of income. The aspects of the report dealing with legal aspects and case law reveals that CAB has been very successful in obtaining the sanction of the courts for its actions against assets obtained on foot of criminal activities.

International co-operation is essential given that crime, particularly the drug trade, knows no borders. The co-operation enjoyed by the bureau with the Assets Recovery Agency and the FBI is fundamental to its success. The report also outlines the legislative framework established at European level to assist its work. In its conclusion, the report recommends that we should expand our mutual co-operation with a number of jurisdictions to bilateral treaties on mutual co-operation in the civil recovery of criminal assets. Does the Minister intend to act on that recommendation?

The report also points out that criminals are adept at hiding the fruits of their activities. That is well established. In that regard, we note from the report that there is recovery of €10 million in assets through various orders obtained through the courts. A figure was given in an RTE report of €650 million, which has probably risen to €1 billion since. The Minister referred to the extraordinary, spectacular seizure of drugs in the south west of Ireland. Are we getting to the root of the problem? Is the bureau having the impact it should have? Let us consider the scale of the problem and the extent of the recovery of assets. How do we measure the scale of the success compared to the scale of the problem?

Drug lords and those serving time in prison for involvement in this seem to be able to continue to operate their business from prison. Unless that aspect of the trade is eliminated, the efforts and success of CAB are hampered by the lack of control over the activities of criminals outside and inside prison. The Minister may wish to comment on this.

For a long time, Fine Gael has proposed the argument that the assets recovered by CAB could be used to support those most affected by the drug trade, particularly in funding drug treatment and drug awareness programmes. These would benefit the communities most affected. The Minister said he does not intend to go down this route because it would mean that a fall in revenue in one source would lead to a fall in expenditure in the local community, irrespective of the problems it faced. I find the argument entirely fallacious. It avoids the question and the merit in the proposal. If there was adequate allocation for such programmes, this argument would be correct. Given that there is enormous need for greater allocation to

[Senator Eugene Regan.]

communities for drug treatment programmes and groups that assist the communities affected by the drug scourge, I ask the Minister to review the position.

Senator Denis O'Donovan: I welcome the Minister. I am glad we are having a debate on this important issue. Setting up the CAB is one of the success stories of the country from the point of view of dealing with organised crime. I accept Senator Regan's comment that the CAB legislation was introduced and passed by the rainbow coalition led by Fine Gael when former Deputy Nora Owen was Minister for Justice. I remind the House that the catalyst for such action was my former colleague, the Ceann Comhairle, Deputy John O'Donoghue. He introduced a Private Members' Bill at that stage and the Government acted swiftly on it. With some modifications it was passed into law. Some credit must be given to Deputy O'Donoghue for his perseverance on this issue. Nevertheless, in the 12 years of existence, CAB has proved a wonderful success.

The Minister referred to an extra €1.5 million for CAB this year. In the 12 years of its existence, we have obviously got value for money. With regard to the budget of CAB, more than €300 million has been gathered in by CAB through asset seizures, Revenue settlements and social welfare investigations. Is there a net gain to the State, apart from the socio-economic gain of communities that are being protected from warlords and criminals who deal in drugs?

Can the Minister avert to the parameters and boundaries of CAB? By and large, it deals with drug dealers but I am aware of CAB investigations into other activities. One close to my heart is the investigation of the fishing industry, about which I will say no more because it is *sub judice*. I wonder if that is *ultra vires*, although it is probably not because CAB has significant powers under the Act that established it.

I refer to the Minister's point about the magnificent work done by a multiplicity of agencies in the major drug seizure in my home port of Castletownbere over a week ago, which I raised on the Order of Business yesterday. I record congratulations to the Garda Síochána, the customs services, the Serious Organised Crime Agency in the UK and the Maritime Analysis and Operation Centre — Narcotics in Lisbon. This was the work of international co-operation, which is necessary. Senator Regan referred to the success of CAB and its limitations. CAB can do much in the country but its international success is limited by the co-operation of agencies such as Europol and the agencies to which I referred. This massive haul of drugs was well anticipated by surveillance. I am delighted to see the drugs confiscated and certain people in custody.

Some 18 months ago, the drugs haul in Dunlough Bay was more by accident than design. Had the culprits put petrol rather than diesel in the engine and picked a less difficult night at sea, they would probably have got ashore and got away. I grew up and lived in the Sheep's Head Peninsula and for the past 20 years consignments of drugs have been coming in, although not in the same bulk as we see now. I met an old farmer who lived close to an old pier, who told me about all sorts of activities, such as vans coming up and down and a boat coming in and leaving at the dawn of day. The boat was not bringing in fish, cockles or mussels.

I refer to the audacity of international criminals in moving drugs. They saw as a soft target the south-west coast of Ireland, which has some of the busiest shipping lanes in the world, unless the Chinese have surpassed it. CNN and Sky International coverage of the Dunlough Bay incident — those involved are now behind bars — and the current incident will send a message to these people, whether in Colombia or elsewhere in South America, that Ireland, with the assistance of agencies such as CAB, the vigilance and modernisation of the Garda Síochána and our Customs Service, technical advances and the co-operation of European allies,

is no longer a soft target. I sincerely welcome that. I would not sit back and think this is the end of it; it certainly is not. I am certain this is not the end of the road in this regard.

The Minister made an important point when he said CAB was not set up just for the sake of collecting money. It is not a *prima facie* revenue collecting agency. We are delighted it brings in revenue because by doing that it confiscates assets or moneys, freezes bank accounts or collects revenues from people who are low life criminals who have no interest in the society in which we live or its children.

CAB has done tremendous work since its establishment 12 years' ago in saving lives and keeping drugs off our streets. I accept what Senator Regan said about everything not being rosy in the garden. The Minister was correct when he said that up to 1996-97 there was a sense of impotency about what could be done to tackle the drugs problem. Senator Regan made the point that there are plenty of drugs available on our streets. The situation in the past would be like comparing the volume of traffic on our roads in 1950 with the volume today. Matters have evolved. Unfortunately drugs have become more available and the fight against them is ongoing.

It would be remiss of me not to mention the tragedy that has occurred in Limerick where an innocent, decent, family orientated and sports friendly man was gunned down in cold blood having been mistaken for someone else. I hope that agencies such as CAB can clamp down on those responsible for such crime, whether by stopping the payment of social welfare benefits or other means. Like the Veronica Guerin incident, the disastrous tragedy that occurred in Limerick at the weekend may act as a catalyst to enable us to take another leap forward in the fight against drugs in the next ten to 15 years. The unfortunate murder of Veronica Guerin was the catalyst for the change that occurred at that time. There is public outrage, annoyance and anger not only in Limerick but in Dublin, west Cork, Donegal and elsewhere at what happened in Limerick. I hope Shane Geoghegan's life has not been lost in vain and that it will be a step to propel us forward to be more vigilant and to co-operate with the Garda, the drugs squad and CAB in trying to stymie the influx of drugs in our society.

Senator Ivana Bacik: I join others in welcoming the Minister to the House. I also welcome this opportunity to speak on the Criminal Assets Bureau, and on its 2007 report in particular. This is a topical issue today as we are all still recovering from the news of the heinous murder of Shane Geoghegan in Limerick at the weekend. His murder has shocked people in communities across Ireland. None of us can imagine the dreadful trauma and bereavement his family have suffered and will continue to suffer. Many have drawn a parallel between his murder and the 1996 murder of Veronica Guerin, which led to the establishment of CAB and to the passage of legislation on the proceeds of crime and drug trafficking.

The 2007 report illustrates the work CAB has done, most recently in 2007, and during the 12 years since its establishment, in targeting those engaged in crime at a different level not within the criminal trial process but in the recognition of the source of money procured through criminal activity. It is a recognition of a certain reality, namely, that our drug laws, drug trafficking legislation, our law that provides for a seven-day detention period prior to being charged and so on tend to criminalise those on the lowest rungs of the chain of drug trafficking activity. They tend to target the mules, those who are often addicts and vulnerable to being intimidated and persuaded to bring quantities of drugs into Ireland or to carry them on their person. The drug trafficking legislation can be of only limited success because those highest up the chain in drug trafficking activity tend not to be the ones in possession of controlled drugs. To that extent, CAB has been successful in targeting those higher up the chain in a different way. The model for CAB was the anti-racketeering and corruption laws in the US, the laws which tar-

[Senator Ivana Bacik.]

ged the Mafia in a different and more effective way than the previous use of standard criminal legislation.

At the time CAB was instituted some of us were critical of the procedures it ushered in and of the change in focus. The workings of CAB have been subjected to numerous court challenges over the years and some of those are documented in the 2007 report, yet all of us must acknowledge the effectiveness of CAB in targeting a different level of criminal activity and in targeting those who had not been previously caught through standard criminal justice legislation.

I must also acknowledge that CAB has been a useful model for other agencies, particularly the Assets Recovery Agency in Northern Ireland. The workings of CAB have been subjected to a good deal of study by law enforcers from other jurisdictions, such as the US. Therefore, CAB has been successful. I am glad its focus has moved from targeting only those at the highest ranks in terms of criminal activity to, in 2007, specifically targeting those who were described as the more middle ranking criminals. I accept, as the Minister said, that CAB is not about making money for the State and that its success or effectiveness should not be measured purely in monetary terms of the net gain to the State. Rather, it exists to protect communities and to target those who routinely escape prosecution through other laws. I accept the middle ranking criminal may be the sort of person who should be targeted in order to protect and reassure communities who live in fear and intimidation of drug gangs.

As everyone has said, the work of CAB is clearly not enough, and the murder of Shane Geoghegan has shown us that. It is not enough to have measures in place that target only finances. Paragraph 5.7 of the CAB report acknowledges that in the period since its inception, "Tracing criminal assets has become more difficult over the years, with criminal proceeds being held by nominees including friends, acquaintances, family members etc., or alternatively laundered through businesses with the appearance of legitimacy." Clearly, the means of escaping the powers of CAB have become more sophisticated as CAB has developed its strategies and techniques.

How then are we to deal with gang crime, if CAB can be of only limited effectiveness, although it clearly has managed to target those not previously caught? As we have seen with the murder of Shane Geoghegan and the murder of other innocent bystanders in previous years through gangland crime, there is a serious difficulty for gardaí in prosecuting these offences. The difficulty stems from the problem with gathering evidence. The Garda Commissioner acknowledged yesterday that it is not a problem of insufficient legislation, but of getting witnesses to come forward.

Much of the political response has focused on the need for more legislation, tougher sentences, new powers for gardaí and so on. We need to be clear that we have in recent years passed extensive criminal justice legislation aimed at making prosecution easier and sentences tougher. The Criminal Justice Acts of 2006 and 2007 in particular introduced mandatory minimum sentences for firearms offences. We previously had tougher sentences imposed for drugs offences. The 2006 Act includes Part 7 on organised crime, including the offence of commission of an offence in association with a criminal organisation, the sort of gangland offences about which people have been speaking. The Criminal Justice Act 2007 brought in encroachments on the right to silence, enabling juries to draw inferences where an accused person remained silent under questioning and later sought to rely on a material fact he or she had not mentioned. We have seen a number of the reforms for which people are now calling already introduced in legislation. We have seen legislation passed allowing the statements of witnesses to be used as evidence even where the witnesses are no longer prepared to stand over them in court. This provision was relied on in a recent case.

We have also seen the special Criminal Court used over the years to try those accused of organised crime under the power of the Director of Public Prosecutions to refer “or other” crimes there. There are legislative tools and tough sentences available. As the Garda Commissioner has said, the difficulty for the Garda has been in gathering the evidence and bringing a case before the court in the first place. Clearly there are no easy answers to resolving this problem.

No legislative remedies and no amount of information gathering can restore Shane Geoghegan to his family or undo in any way the terrible bereavement they have suffered. We need to consider how to prevent other murders from occurring in the future. Key will be law enforcement and, in particular, reassuring potential witnesses that they will not be subjected to threats, intimidation or worse by those against whom they give evidence. We need to review the witness protection scheme. One year ago a Private Members’ Bill was introduced in this House aiming to put the scheme on a statutory footing. The then Minister said the Garda had not called for this to be done and that it would be too inflexible. Will that now be subject to review and would a more formal witness protection scheme be useful in the quest to gather evidence in a more efficient manner?

Others spoke about the need to change the law on the use of surveillance evidence in trials. Clearly the Garda already uses surveillance in its investigation of crime. Mobile phone data are used quite routinely in criminal trials. We already have power to retain data from mobile phones for a very long period — I believe up to three years, which is longer than the EU requirement. While we already have some of what is needed, does the Minister propose to do anything further to allow this evidence be used in court?

Law enforcement can be more effective, but only if enormous resources are put into it. In the past the emergency response unit has patrolled the streets of Limerick 24 hours a day, seven days a week. However, unless it continues to do so, which is clearly very resource intensive, it will be very difficult to prevent similar tragedies happening in the future.

In the long term the link between disadvantage and crime must be addressed. I am glad to see the regeneration programme in Limerick will proceed. While it is too little, too late, it is an important first step. In the long term that might represent the best hope of a way out of this sort of tragedy. Fr. Peter McVerry has made this link. It is often not seen as fashionable to talk about it. However, there is a clear link between the most deprived communities and those most intimidated by gangland crime. We also need to review our long-term approach to drugs policy. The CAB has shown that the focus should be on the finances. Let us consider ways to remove the enormous profit opportunities from this trade. Let us consider imaginative and creative ways to address this through our drugs policy. We should consider, for example, distinguishing between soft and hard drugs, as has been done in Britain. Let us consider having drugs courts allowing addicts to be rehabilitated rather than facing prison sentences. All of these methods may represent a long-term prospect of an end to such gangland crime. We have much to learn from the lessons of the CAB in focusing on finances.

Senator Dan Boyle: It is apposite that we are having this debate in an atmosphere where there is obvious public discomfort at the existence of violent crime and the effects of such violent crime on communities. The existence of the Criminal Assets Bureau has been a very effective weapon since its inception to undermine the culture that pervades among those who seek to make their way in our society by using criminal means. I note the early part of the debate as to whose idea it was and under whose watch it happened. It is not particularly relevant. The fact is that the Criminal Assets Bureau was a good idea. It has been an effective organisation and there is a commitment on the part of everyone in both Houses of the Oireachtas to ensure it continues to do an effective job.

[Senator Dan Boyle.]

There is a concern that even at its most effective — the same applies to drug seizures — when we are trying to regain on behalf of society the proceeds of criminal activity, we might be suffering from an iceberg effect. As with drugs, whenever there is a large-scale seizure, it may mean that even more is coming through. If the amount obtained by the Criminal Assets Bureau is increasing in any given year, does it mean there is a possible statistical increase not being measured in criminal activity itself? In his opening contribution, the Minister outlined that the CAB has come through an initial phase with a concentration on particular high-value criminals, as it were, and it is now targeting people deemed to be middle level. There will be diminishing returns from those people with lower asset bases, albeit asset bases acquired by criminal means. That said, the acquisition of any type of assets through this type of activity is obviously scorned by most in society and we need an effective CAB to continue its work.

The figures mentioned in the annual report are very impressive both on an annual and cumulative basis since 1996, not only in terms of the assets seized but also in the tax gained and the social welfare payments saved. When these figures are added together approximately €250 million has either been saved or come into the State's coffers.

Another issue touched upon briefly in the debate and mentioned in the Minister's opening statement is how these resources, tainted as they are, can be best used for the benefit of society. The Minister has stated he has no intention of changing a particular mechanism that has been used and which has been somewhat effective in using these assets for the betterment of society. The Minister mentioned how they could be used for more direct community purposes, especially in the communities that have suffered the worst ravages of crime. While the Minister has said he does not intend changing the existing mechanisms, it might be worth considering in the future. I agree with the Minister that they cannot be used for current expenditure in community development. Community development should not be dependent on funding of this nature. However, there is an argument that we could engage in physical community regeneration with the scale of these resources. This might mean cross-departmental funding or matching funding. Imagination should be used that would allow the proceeds gathered by the Criminal Assets Bureau to be put to the best possible effect.

On my behalf and that of my party I express my concern and sympathy over the events that have occurred this week and so tragically reflected in today's funeral of the murder victim, Shane Geoghegan. We have been here before and particularly in this part of the country. As the Minister is in the Chamber there is an onus on all of us in public life to use this opportunity to propose other ways in which public confidence can be restored because it obviously has been badly damaged by the murder of Shane Geoghegan. "Liveline" is not a programme from which I would often refer anyone in public life to take too many policy decisions. However, there was one contribution to that programme today from a solicitor who recently represented a murder victim. It seemed to represent a new type of thinking and possible short and medium-term solutions as to how we deal with violent death in our society and those bringing these acts upon communities and individuals. A transcript of that programme might show the type of new thinking needed to bring about a greater level of public confidence. I am sure the Minister, in how he has treated his brief to date, will take due cognisance of that and add to the successful work of the Criminal Assets Bureau in achieving the ends desired by all of us in the House.

Senator Dominic Hannigan: I wish to share six of my ten minutes with Senator David Norris.

An Cathaoirleach: Is that agreed? Agreed.

Senator Dominic Hannigan: I welcome the Minister to the House and the annual report of the CAB, which was published earlier this week. It shows another successful year for the CAB in 2007 and it is vital this success continues. Many Senators referred to the recent deplorable and tragic events in Limerick. Senator Bacik mentioned that perhaps it was time to look again at the potential of putting on a statutory footing a witness protection scheme. I know the Minister is new in his job and the last time the subject was brought up it was with a previous Minister. I ask the Minister, Deputy Dermot Ahern, to consider the benefits of putting on a statutory basis a witness protection scheme in light of current events.

I note the policy shift within the report disclosed by the CAB as it is now concentrating on middle-ranking criminals and seizing assets of lower value. Senator Boyle said that now all the Mr. and Mrs. Bigs have been caught, it is time to focus on the middle ranking people. The CAB's chief bureau officer, Chief Superintendent John O'Mahoney, said it is developing a higher visibility at a more local level, which we all agree with and encourage.

I commend the bureau's efficiency in making earlier applications to the courts for the seizure of assets so that criminals are prevented from disposing of the assets before a court case is heard. It appears from the Minister's speech and the report that the policy is working well. Last year €6.5 million of assets were seized and last week there was a seizure in Limerick. In addition, over €10 million of taxes, interest payments and penalties were collected last year and there was some success on the efforts against social security fraud. There is a potential take from the past year of almost €17 million, and all this was achieved with a staff of just 59 and at a cost of approximately €5 million, which is marginally down on last year.

Although I agree with Senator Boyle's point on the law of diminishing returns, it seems there is still an amount of money out there. We have not reached the point of diminishing returns yet. The efficiencies shown by the CAB are exactly those which we should target in other areas of public finances. As an example, we could do something similar with the road safety penalty points system as we saw a report in the *Irish Independent* this week that after six years, almost half the offences scheduled to be subject to penalty points are still being referred directly to the courts. Perhaps on-the-spot fines would produce more favourable results and would be a more effective usage of time, and perhaps those behind it could learn from organisations like the CAB.

The CAB annual report refers to the imaginative use of the Proceeds of Crime Act, which led to €3 million being returned to victims of insurance fraud in the United States following a joint investigation between authorities there and the CAB here. This raises a point advocated by the Labour Party for some time. If the victims of fraud in the US can benefit from the actions of the CAB here, surely our own communities, which are being blighted by crime and criminality, should gain from the proceeds realised by the CAB.

In reference to the annual report, the Minister stated local communities would be pleased to see the ill-gotten gains taken away from criminals, and I agree totally with that. They would be even more pleased if some of those gains were returned directly to the communities. For example, there is an ongoing problem relating to the maintenance and monitoring costs of community CCTV schemes. In playgrounds in such places as Dunboyne and Ashbourne there is much anti-social behaviour and even drug dealing at times. Putting some money from the CAB into community schemes such as CCTV would benefit the local community, and I ask the Minister to consider it closely.

My party is very supportive of the CAB and all it has achieved — we had a leading role in its creation — but it is important justice is served. In this respect it is worrying to see that last year the chief appeals officer was obliged to refer seven matters to the courts because the

[Senator Dominic Hannigan.]

appeals procedures are somewhat inadequate. I am sure the area could be addressed by the Minister.

The Minister might consider providing more support in certain areas to the CAB, with international investigations being an example. It is a crucial part of the work of the CAB but in 2004 the Supreme Court found that the Proceeds of Crime Act does not apply to offences committed abroad. The bureau is still experiencing problems before the courts in this regard. Will the Minister consider the matter?

We welcome the publication of this report and congratulate the chief bureau officer, Chief Superintendent John O'Mahoney, and his staff on their efforts. We want them to become even more successful and, to that end, we ask the Minister to take on board some of the suggestions we have made.

Senator David Norris: I am very grateful to my colleague, Senator Hannigan, for allowing me some of his time. I listened with great interest and admiration to what he had to say as he has a very clear grasp of the subject. My colleague, Senator Ivana Bacik, also has a clear grasp of the issue and we are very privileged to have somebody with that level of expertise, background and professional understanding here.

I welcome the Minister to the House. It is good for us to have a discussion on the report. I congratulate the drugs joint task force, although it contributed only in part to the success of the operation last week. It was principally the result of very sophisticated American and British satellite supervision. Although we played a very good role in the operation, it was an international effort. We have not confronted the drugs issue and perhaps the Minister will return when we consider that issue. The driving force behind drugs is the immense profit to be made. I have often gone through Singapore, where a person can be shot at dawn for having a joint, yet people do it. There is a financial motive that must be destroyed. One way of doing this would involve consideration of legalisation. A Fianna Fáil spokesman on health, Dr. John O'Connell, said that with regard to the legalisation of drugs such as heroin many years ago in this Chamber.

The Minister indicated that after a very difficult period, the State needed to assert its authority and make a response. Although it did so, it was a belated response. The Minister's speech omitted the acknowledgement of the role played by Deputy Tony Gregory, who came up with the idea, although that has never been properly acknowledged. He pressed it on governments of various complexions and not one took it on board. I remember very clearly that the idea was to join up the Revenue Commissioners, the Department of Social and Family Affairs and the Garda. Until Veronica Guerin was shot, we were told it could not happen. She was a catalyst for the process but Deputy Tony Gregory had the initial idea. I spoke to him and pushed the concept in this House but I got the same response. Some of the comments of the Minister are more or less the same as they were then.

I am somewhat disappointed the Minister has set his face against the ring-fencing of the resources taken by the CAB for insertion back into the communities. These people have been bled dry because of the drugs trade and the money morally belongs to those communities. Every time the subject is raised we get a different answer. Earlier responses indicated the resources had to go in, undifferentiated, to the Exchequer and other statements indicated it would be an uncertain and variable revenue source that would affect investment. Why are these resources not put into capital programmes? It comes down to the greed of the Department of Finance, which will not allow it. It would be a signal, a token and an indication of hope for those marginalised and deprived areas and it should happen.

With regard to the events in Limerick, I share the grief everybody feels about Shane Geoghegan, a remarkable and decent young man who was snuffed out carelessly. These people have no shame. This can be seen not only in Mr. Geoghegan's murder but also from the fact that such people are taking money from social welfare payments. They make millions from drugs but they still do not get enough. One of them got a rebate on affordable housing. Those people are beyond any kind of shame.

A number of other questions were raised brilliantly by Senator Bacik. One question related to witness protection, which obviously has to be looked at. We had a very interesting case where, although the witnesses withdrew their statements, we still got a conviction. That is the way we have to go. I have been very much in favour of using video recordings. I spoke at an international police conference in Dublin urging their use for the protection of the police as well. We must safeguard video recordings. It is not appropriate that they be made available to criminals. They should be made available to the lawyers representing them, but there should be strict penalties for the misuse of that kind of information. We already use mobile telephone data. In a recent murder case the movement of a suspect was monitored through the use of mobile telephone records, and that is a very good thing.

I thank the Cathaoirleach, and Senator Hannigan for his indulgence. If nothing else is remembered from this debate we should honour Deputy Tony Gregory whose idea this was. It was resisted. I was a Member of this House and watching the other House when it happened. Without Deputy Gregory we would not be here today praising the annual report of the Criminal Assets Bureau.

Senator Lisa McDonald: I welcome the Minister. I am pleased to have an opportunity to make some observations on the success of the Criminal Assets Bureau. It is vital there is forceful and persistent action to deprive criminals of the benefits of their criminal behaviour. Prosecution and imprisonment are part of the risk criminals take. The prospect of being able to enjoy the fruits of their criminal activity at some stage is the cost criminals are prepared to pay to involve themselves in crime. The deterrent effect of the CAB cannot be underestimated in that regard.

Another important rationale from the report that has been published is the shift in policy towards targeting middle ranking criminals and lower value assets. That is reaching out to ordinary people to ensure they keep faith in their law-abiding approach to life and paying their taxes. It also illustrates the bureau's willingness to react to local community concerns. Above all, the bureau is involving itself in targeting the middle ranking criminals who live in our midst and that sends out the strong message that crime does not pay.

In the 12th report since its inception the bureau demonstrates that it has not stood still and has continued to develop. As crime becomes more sophisticated and criminals become better at hiding their assets, the bureau continues to identify new crime trends and in that way keep pace with criminals. I welcome the establishment of the bureau's analysis unit and the focus on the adoption of best practice in the area of forensic analysis through the employment of two financial crime analysts who will assist in that goal.

As the Minister outlined, one of the reasons for the success of the CAB is its multi-agency approach. Customs officers, tax inspectors, professionals, Garda officers and social welfare officials share intelligence methodology and approaches. The fact that no conviction is needed and that the standard of proof is a civil one are vital to its effectiveness. That was commented on recently by a spokesperson for the Bulgarian equivalent of the bureau who contrasted the Irish model with the Bulgarian system, which was slow in making progress to freeze assets and get the fruits of ill-gotten gains.

[Senator Lisa McDonald.]

The report's conclusions refer to international co-operation and shared assets. Senator Hannigan referred to the case of the deceased American fraudster, Matthew Wallace Schachter, who lived in Ireland and who had been under investigation since 2004. That man defrauded approximately \$24 million from US citizens through bogus insurance policies. The High Court granted the CAB an order allowing it to return Schachter's Irish estate to his victims in the United States and Canada. That was the first time in the bureau's history in which money realised in an assets action was returned to the victims of the person targeted. That is a little different to Senator Hannigan's point about money going back to the community. In that case, the money did not go back to the community; it went to the victims of the crime. It is important to make that differentiation.

The Government is committed to investing money in educational programmes for drug awareness and the installation of closed circuit television cameras. Work is ongoing in communities to find out their needs in conjunction with politicians, the Garda and joint policing committees. The funding for those programmes must come from the Central Fund. I disagree with Fine Gael's suggestion that we should ring-fence the moneys accrued by the CAB. I do not believe in a law of diminishing return but the money realised by the CAB will differ from year to year in accordance with the fines awarded and depending on how many criminals appeal. The report alludes to those matters. It is more important to improve community co-operation than just to allocate the money that accrues to a programme that might need more money than is realised in a given year.

The need for co-operation is highlighted in the report. Reference is made also to the benefits accrued since the amendment of the legislation setting up the Criminal Assets Bureau to allow for foreign co-operation. I look forward to further bilateral treaties on mutual recovery. We must focus on China, Japan, the Middle East and eastern European countries. If we can get co-operation with them, we can make real progress. I note that this is highlighted as an area for future work and I welcome that. The report refers to the need for asset sharing to be examined. That is an area the bureau will seek to progress next year. Shared assets will be invaluable to fostering enhanced co-operation for each jurisdiction in getting its share of the net proceeds of the forfeiture. In effect, there is something in it for everybody to set up the treaties.

I was interested to note that the bureau can investigate public officials. Is there any need, therefore, to continue with the tribunals that are bleeding the coffers of the State and which themselves have been scandalous, have wasted money, and have not used their own resources to the best of their ability? The bureau has 59 members and is an excellent example of value for money. I would welcome more invocation of this section.

The CAB was introduced when the traditional methods of police work were not enough to deal with the level of sophistication that had developed in the criminal world at the time of the death of Veronica Guerin. Much reference has been made to that fact today. Perhaps it could be looked on as a model in approaching the problems in Limerick that the heinous murder of Shane Geoghegan has highlighted this week. We need a strong response to that. When the CAB was introduced, many said we could not introduce legislation that had human rights implications. However, a strong response is needed. I wish the Minister luck in endeavouring to come up with a strong response to criminal activity in Limerick. Many ideas were put forward in the debate and on the Order of Business in recent days. I accept a solution will not be easy to find but I am confident the Minister will address the matter in the best possible way.

To date, the CAB has brought in €120 million though the proceeds of crime, €150 million in taxes collected and €2 million in social welfare. That money would not have been collected

had it not been for the CAB. The overall scheme of deterrents offered by the CAB is of great importance in the combating of criminal activity.

Senator Paul Coghlan: I welcome the Minister and thank him for being present for the debate on the important matter of the annual report of the Criminal Assets Bureau. Of the bodies under his aegis the CAB is probably the one with which the Minister is happiest because, overall, it is a good news story. I endorse what the Minister and all the Senators have said. I did not know about Deputy Tony Gregory's suggestion and must confess I believed the CAB was the creation of two of the Minister's predecessors, Nora Owen and Deputy John O'Donoghue. Both did very good work, as did their advisers, but I do not want to detract from the input of Deputy Tony Gregory.

As we know and as was said, criminals are very adept at hiding the proceeds of their criminal activity. The anonymity of those working in the CAB, apart from the head officers, is very important. We must allow the bureau as much flexibility as possible. I am sure this is the Minister's approach. It is no good tying the bureau's hands behind its back, so to speak.

I agree with the Minister on targeting the middle ranking criminals in addition to the larger players. Forensic analysis is very important, as is enhanced tracing, which the Minister stated is taking place.

All speakers referred to the recent appalling, brutal murder of Shane Geoghegan in Limerick. It demonstrates what is occurring and that criminals will stop at nothing to eliminate a foe. In this case, the identity of the foe was mistaken. For the sake of all our good citizens, we cannot allow criminals such as those in Limerick to operate and I hope the bureau will have increasing success in combating them.

Since we are talking about Limerick, will the Minister consider the creation of a dedicated CAB office in the city? There are two CAB officers working there but they need the resources of an actual office to carry out their duties. It might not have to be a permanent one. As we know, two gangs are responsible for the criminality in the city. The culprits are known according to political friends on all sides who represent Limerick. I hope the criminals can be put out of business and their assets confiscated as a result of the ongoing work of the multi-agency bureau, to which we are paying tribute in this debate.

Tax examinations are a vital means of combating criminals. This is how success was achieved in the United States in dealing with the Mafia. It is wonderful to learn of the proceeds of crime confiscated by the CAB and of the issuing of interim orders to the value of €10 million in the past year. This is an impressive record and I hope an increasing number of orders will be issued as time goes by. In this regard, most reasonable people would agree that the assets of drug barons and criminals should be invested in supporting the victims of their crimes. The moneys obtained should be ring-fenced and used to benefit of victims of crime and for rebuilding the affected communities. Perhaps this is the Minister's intention. As with other speakers, I welcome the regeneration programme for Limerick and wish those involved every success.

The Minister stated criminals blatantly collect their social welfare benefits in spite of receiving ill-gotten gains from drug sales, as if they were honest citizens out of work. I welcome the success of the bureau in managing to eliminate such criminals from the dole queues. The co-operation with the assets recovery agencies in the North, Britain and elsewhere is to be welcomed greatly.

I very much welcome the extra staff, the two extra crime analysts and the 28 assets profilers. The profilers are very important. I welcome also the assistance of the Garda and customs officials.

[Senator Paul Coghlan.]

On co-operation at European level, Britain has had some success recently in rounding up some its criminals who hide out in Spain. We have heard that our home-grown criminals seem to be able to visit Spain frequently. With increased co-operation, have we any hope of bringing a few of them back and jailing them?

Are we having any success in ensuring criminals cannot direct their criminal activities from prisons by using mobile telephones? In that regard, how are we fixed in terms of increased surveillance and perhaps old-fashioned wire taps? We used to hear a lot about the latter. I understand that, with sophisticated modern technology, one can track the use of mobile telephones. I wish the Minister and the CAB every success in this regard. I look forward to hearing the Minister's comments.

Senator Terry Leyden: I welcome the Minister, Deputy Dermot Ahern, to the House and commend him on his leadership of the Department and in terms of ensuring law and order. He has done a tremendous job since his appointment. The Garda Síochána has a great friend in court in the form of the Cabinet, including the Minister for Justice, Equality and Law Reform. I say this because I am a nominee of the Garda Representative Association and the Association of Garda Sergeants and Inspectors. I have always respected the fact that I received a nomination through them. As a result, I have no hesitation in praising their work in this House. There are enough people to criticise them at particular times.

I sympathise with all the people of Limerick on the tragic death of Shane Geoghegan. It is very sad event. Mr. Geoghegan never had hand, act or part in criminality in Limerick and his death indicates that criminality is affecting those who are not involved. Previously most of the murders and crimes causing outrage were committed by members of criminal gangs. In the case of the recent murder, there has been an outcry by the people of Limerick, the church and public representatives. It is similar to the Veronica Guerin case in 1996, which led to the establishment of the CAB. In that year, there was great co-operation between the then Opposition spokesperson on justice and law reform and the then Minister, Nora Owen. A Private Members' Bill was adopted——

Senator Paul Coghlan: Despite all their verbal jousts.

Senator Terry Leyden: ——by the then Minister and rightly so. I presume that if the Opposition is in a position to make good, sound, original and helpful suggestions to the Minister by way of a Private Members' Bill, he will give them due consideration.

Senator Paul Coghlan: Absolutely.

Senator Terry Leyden: In that regard, the recent murder is a watershed as far as the country, including Limerick, is concerned.

I do not know the Minister's views on charging criminals. The Special Criminal Court has been used in cases such as that in Limerick because one cannot get people to give evidence as they are terrified that their doing so will compromise their safety and well-being. The Special Criminal Court has been used, certainly in Dublin, in cases where witnesses have been threatened and in respect of which juries could not be sworn in. The life of anyone who becomes a member of a jury in a case involving one of the crime gang families is immediately in jeopardy and he or she must be protected. Such a risk could not be taken in respect of a member of a jury or his or her family. This is why the action taken by the Minister in conjunction with the Taoiseach and his other Cabinet colleagues will receive tremendous support from people throughout the country. This is an opportunity to clamp down on what is occurring in Limerick,

parts of Dublin and other areas. The root of most of the problems is the use and abuse of drugs. The use of drugs by middle income people fuels the demand, especially for cocaine. Dealing such drugs leads to fights between the gangs which operate in cities at present.

Again, I praise the work of the Garda Síochána and Customs and Excise personnel for the enormous haul of drugs last week off the coast of Cork. It is not the first time this has happened. It was a huge amount, estimated as being worth €750 million, with a street value of as much as €1 billion. It was destined for the United Kingdom but some of it may have returned to this country because of access to Britain through Northern Ireland. It is very difficult to control all the borders between the two administrative areas. We directly benefited by the capture.

When the CAB was established people were confident it would be successful but its success has been outstanding. It was put on a statutory basis in October 1996, and to the end of December 2007, interim and final restraint orders to the value of €71million and €35.5 million, respectively, were granted. In the same period, tax and interest demands were worth almost €222 million, with in excess of €180 million collected. That is a considerable success story for any organisation. The financial benefits accrued to the State by bringing this money into Government coffers supports the work by the Garda and other agencies. That is very important.

I note that the Minister has approved an additional ten staff to the bureau, namely, five gardaí, two financial analysts, two tax officials and an additional administrative assistant. The work is a matter of investigating the background to and ownership of properties. There is much information regarding ownership of bars and large outlets. All these should be researched to find out how people might have funded significant investments in public houses when it was not apparent they had funds at their disposal. The banks may have provided those funds but in some cases it is understood that criminal families are involved in so-called legitimate businesses by using ill-gotten gains.

I congratulate John O'Mahoney, the detective chief superintendent, his team and everybody involved. Every member of the Garda at every level is co-operating in this regard and the work is a credit to everybody, including the Minister for Justice, Equality and Law Reform, Deputy Dermot Ahern. He should take a bow. He is under attack many times in his job but in this respect he and his force deserve great credit for what they have achieved.

Minister for Justice, Equality and Law Reform (Deputy Dermot Ahern): I thank the Senators for their contributions. As a matter of record, because everybody is claiming credit for the genesis of the Criminal Assets Bureau, I shall throw in my tuppence too.

Senator Paul Coghlan: The Minister is right.

Deputy Dermot Ahern: I said earlier that the State responded. In fairness to the Oireachtas, it was one of the fairly significant times when all parties came together as one. Senator Norris may be correct concerning the exhortations made by Deputy Tony Gregory and it is true that the Rainbow coalition brought in the legislation with the acquiescence of all the parties, including my own, in Opposition. I was Chief Whip of my party from 1994 to 1997 and I recall that Deputy John O'Donoghue brought forward a very detailed Bill on the criminal assets issue. The then Government accepted the spirit of that legislation and brought in its own Bill to which we were very much able to consent.

The Criminal Assets Bureau has been very successful. A number of Senators, including Senators Hannigan and Bacik, pointed out that we have a new focus on middle ranking criminals. We are still going after the high rollers as well as the middle ranking ones.

[Deputy Dermot Ahern.]

An issue was raised about the return of assets to the USA. There is a facility in our legislation that permits the return of assets to individuals where it is proved that they are the rightful owners of the assets.

Senator Regan raised the issue of bilateral treaties and sharing agreements, as referenced in paragraph 7.7 of the report. The bureau's chief officer and legal officer are looking at this matter and I would be very much open to proposals in this regard.

Senator O'Donovan raised the issue, as he always does, of the fishing industry. The reality is that the CAB is designed to chase the proceeds of all crime no matter its provenance. If there is crime in the fishing industry that the CAB can deal with, it should do so.

Concerning the net financial gain, it would be incorrect to talk about net gain to the State. The CAB is not designed to gain resources but to go after those people who have ill-gotten gains. However, it is fair to say that, as a State, we have taken in far more than it has cost to run the bureau.

A number of Senators raised the issue of ring-fencing resources which suggests that these areas are already starved of resources and that they need more. The reality is that under the young person's facilities and services fund, a major fund provided for by the Exchequer under the dormant accounts scheme, there has been considerable investment in those areas, in particular those geographically disadvantaged areas where drugs have had significant effect. There have been major efforts to deal with the services and to respond to people who are victims of drug abuse. Approximately 8,500 people avail of methadone programmes and other services funded by the Exchequer. It is my view that it is better the Exchequer fund these services on a more long-term and constant basis rather than rely on funds that may or may not come through from the CAB.

Before I deviate from the subject of the CAB, Senator Coghlan raised the question whether there should be a separate CAB in Limerick. I would not want——

Senator Paul Coghlan: I did not mean a separate CAB but a separate office there.

Deputy Dermot Ahern: ——anyone to be under any illusion. The CAB operates throughout the country. I know it operates in my own constituency. Operation Platinum took place in County Mayo in 2008 whereby the CAB, working with local gardaí, searched a considerable number of properties and made some very significant seizures. That operation is ongoing. Again, this is because of the profilers we have put in place. There are a number of full-time asset profilers in Limerick who are in constant contact with CAB officers in Dublin. There is a continuing operation in Limerick and that has been the case since the CAB was formed. The bureau now has 90 asset profilers throughout the country who feed information into headquarters.

The Government is criticised right, left and centre. I had to make a decision in my Department going into 2009 concerning the contracting Exchequer situation, with a significant reduction in the resources in comparison with the previous year. I decided to do two things. First, I decided that, as a principle, I would concentrate on tackling crime. I did this some months ago long before any of the current problems and it was my first and foremost priority. When we were doing our Estimates, I read in newspapers that there would be a freeze on Garda recruitment. I decided, and told my Department officials, that whatever I did, I did not want to go back to a situation where we would reduce the numbers of gardaí on the street. That is why the numbers of gardaí on the street will rise from 14,200 to 14,900. Despite the difficult financial circumstances in which I found myself, I decided we would have more gardaí on the streets. For years, we have heard that too many gardaí are working behind desks.

Civilianisation of the Garda system has increased by 60% in the past two years and we now have between 2,000 and 2,500 civilians working with the Garda Síochána to relieve its workload.

I had to make a decision on whether to freeze Garda recruitment. While I have been criticised for my decision to significantly reduce funding for some of the softer areas in the Department, I speak for all political parties when I state that it is much better to continue to increase the number of gardaí on the streets than to return to a time when Garda numbers declined because recruitment ceased and retiring gardaí were not replaced. It must be accepted that our streets are much better policed than they were a number of years ago.

I decided to increase funding for the Criminal Assets Bureau by 20% or €1.5 million. The outturn for the Garda overtime budget this year was €108 million. Next year, a reduced sum of €80 million will be available for Garda overtime. I accept this will cause difficulties because overtime is always required due to the nature of policing and the need to respond to incidents as they occur. I informed the Garda Commissioner two or three months ago that he had to ring-fence €21 million of the overtime budget, €1 million more than in the previous year, for Operation Anvil, which is specifically designed to pursue organised crime in Limerick, Dublin and elsewhere.

The Government should be given some credit. While decisions regarding funding for other areas in the Department may be criticised, my foremost priority, one which I believe is shared by all Members, is to keep gardaí on the streets. For this reason, I concentrated on maintaining Garda numbers. The results of this approach are evident from the figures. As a result of the efforts of the Garda in recent years, homicide offences have decreased dramatically, falling by 56.7%, in the third quarter of this year and 44.9% year on year.

Garda numbers in Limerick have increased by 12% in the past year, taking the overall figure from 422 to 474. When Mr. John Fitzgerald, who leads the regeneration project in Limerick, commenced his work he asked for an additional 100 gardaí. Garda numbers in the city increased by 95 and by 43% since 2003. I understand the city has more gardaí *per capita* than any other area outside Dublin.

Since its inception in 2005, Operation Anvil, which is specifically designed to pursue gangs in Limerick and elsewhere, has resulted in 120 arrests for murder, 3,600 arrests for burglary, the seizure of 2,250 firearms, 57,406 drug searches, the seizure of 20,770 vehicles and the recovery of property worth €31.1 million. Outside Dublin, 21,500 arrests were made and 900 firearms seized under Operation Anvil during the same period. Since 2005, an astonishing number of checkpoints — 102,000 — have been performed under Operation Anvil in the Dublin region alone. Several months ago, when the Estimates were being prepared, I decided to ring-fence a large sum for Operation Anvil to ensure that a substantial part of the overtime allocation was not used for any other purpose. That remains the Government's priority.

I will address some of the issues raised in both Houses in the context of the awful tragedy that took place in Limerick. Calls have been made regarding mandatory sentences for murder. Mandatory life sentences are already imposed on conviction for murder. The trend in recent years has been for life sentence prisoners to serve longer sentences. The average length of a life sentence is 15 years whereas it was only 7.7 years ten or 15 years ago. Clearly, therefore, those who receive a life sentence today will spend much longer in prison than would have been the case had they been convicted some years ago. It has never been the practice of Ministers for Justice, nor will it become practice while I am in office, to permit anyone involved in organised crime who is convicted of murder to be released after a short time. Such persons will not be allowed to leave prison before 15 years have been served.

Some Members have called for the establishment of a special Garda unit for Limerick. The new regional response unit was first established in the southern region, of which Limerick is

[Deputy Dermot Ahern.]

part. Many people indicated that 24-hour surveillance is required in Limerick. In recent years, 24-hour covert and overt surveillance has been carried out in the city and these practices will continue. The emergency response unit works in the city with the divisional teams operating in the area of drugs and other crime areas.

Calls have been made to appoint a special assistant commissioner for Limerick. The assistant commissioner for the southern region, which includes Limerick, is fully involved in tackling crime in the city. Designating the destinations of assistant commissioners is a matter for the Garda Commissioner. The Commissioner indicated yesterday during a meeting with the Taoiseach and me that he is satisfied with the Garda resources available in Limerick. I reiterate that Garda numbers in Limerick have probably increased more dramatically than anywhere else.

Members referred to the idea of allowing the opinion of a Garda chief superintendent to be sufficient to charge a gang member. In cases involving the Offences Against the State Act, the courts have already held that the opinion of a chief superintendent is not conclusive and it is a matter for the court to decide how much weight such an opinion should be given. It is often said that we made such provision in cases involving the Provisional IRA and other terrorists. Once Provisional IRA members recognised the courts and gave evidence that they were not members of a proscribed organisation, the court ignored the evidence of a chief superintendent.

Case law and strong legal advice suggests that allowing as evidence an opinion of a chief superintendent that a person is a member of a criminal organisation or gang would amount to a statement, without evidence, that the accused is guilty, would lead to evidence as to bad character of the accused and would be so prejudicial that it could not be countered by any direction by a judge to the jury. In effect, such a provision would be unconstitutional as it would not allow a fair trial.

Allowing that the Special Criminal Court is a court without a jury, normal murder trials are by jury. In the event that legislation were introduced to permit a chief superintendent to give an opinion, any chief superintendent who did so would be required to face cross-examination, during which he would have to give the reasons he arrived at his opinion. He would then, in effect, have to state the terms of bad character against the accused before the latter is found guilty. The courts have decided and legal advice has shown that to do so would be *ultra vires vis-à-vis* the Constitution in that it would not be fair procedure because persons are entitled to be presumed innocent until found guilty by a court or jury and are, therefore, entitled to their good name. The proposal to permit chief superintendents to give an opinion in such cases has been examined many times by this Government and previous Governments and has been found to be in conflict with the Constitution and contrary to the concept of a fair trial. The taking of evidence by videotape is already allowed by section 57 of the Criminal Justice Act 2007 and the Garda is at an advanced stage in implementing this provision, which is very complex. It involves the taking of evidence by videotape and having it in transcript form as well.

The legislation in relation to covert surveillance should be introduced earlier. This legislation is extremely complex. It is about the Garda's ability to enter private property to install bugging devices. For years the Garda has been operating intrusive surveillance and that has been very beneficial to it. This legislation will be more or less the same as the legislation we had in 1993, interception legislation, where phone calls and postal packages may be intercepted, subject to very strict conditions. That legislation will merely give a statutory grounding to what is already being done by the Garda.

On the right to silence, a number of people said publicly that needs to be changed. We changed the law on the right to silence in July last year. That was recommended by the Hogan

commission on balance in the criminal law, a report which I suggest Members of the Oireachtas should read closely. I will introduce further measures in that regard to assist victims. That legislation will be brought in, hopefully, in the spring of the new year. The new law provides, on the right to silence, that inferences may be drawn at a trial where a person remains silent, when he or she is asked a question by the investigating garda. Inferences may be drawn for failure to account for marks on the body or whatever. Inferences may be drawn by failure to account for someone being in a particular place. In addition, a further provision is added in a new section, 19A, about inferences that may be drawn from failure to mention during the interview certain facts that are later relied on at trial by the defendant. Again, the right to silence has been fairly dramatically changed.

A number of Senators, particularly in the Labour Party, have raised the issue of putting the witness protection programme on a statutory basis. I asked the Garda Commissioner yesterday whether he required that. It must be remembered that the witness protection programme has been in place since 1997 and has always been properly funded by Governments since then. The Garda Commissioner is adamant that he does not want the witness protection programme on a statutory footing as that would take away the flexibility he has in relation to it. Obviously, given the types of circumstances he has in vogue to get witnesses to go forward to assist in trials, he must have that flexibility.

It has also been suggested that we should refer cases to the Special Criminal Court. Under existing law the DPP — the Garda can make application — has a right to refer trials to the Special Criminal Court without jury. He can do that only in circumstances where he believes the ordinary courts are not capable of dealing with a particular situation. The Garda Commissioner said at our meeting yesterday that if he had the same level of success in the rest of the country as he had in Limerick, he would be very happy. If one looks at the statistics in relation to a number of significant murders and serious offences, one sees the success has been greater in Limerick than anywhere else. That would effectively negate the opportunity of the DPP to refer cases to the Special Criminal Court. The people of Limerick have been very good in the response they have given to some of these more serious offences. What the Garda Commissioner, I and others were doing in the past couple of days was encouraging people to come forward, a very small element of people who clearly know what is going on, particularly in the context of a vehicle being stolen, to be used a couple of weeks later, as in the awful murder of Mr. Shane Geoghegan. There are people in this State, particularly in Limerick, who clearly know who these people are. The Garda has a very clear suspicion, as do others, of who the culprit was in this case, but suspicion is not good enough in a democracy. There must be hard evidence and that is why we have given, and will continue to give, the Garda the power it needs.

I am open to all suggestions on legislative change, but I would not want to hoodwink anyone into believing there is a quick fix to any of these issues. I will not say that by bringing in legislation we will stop all crime for the future, but it is accepted by independent academics and observers of this situation that the type of legislation we introduced in 2006-07 is very robust — it could be regarded as draconian. It is in place and very little else can be done from a legislative viewpoint, other than bringing in internment, and I am not sure whether the Irish people, or indeed the Oireachtas, would want internment or indeed whether the courts would allow it.

Senator Paul Coghlan: That is correct.

Deputy Dermot Ahern: The Criminal Justice Act 2007 introduced new offences for membership of an organised criminal gang, with an imposition of five years in prison, and for committing an offence for a criminal gang, ten years. Some people ask whether cases have been

[Deputy Dermot Ahern.]

brought in relation to that. It is much more difficult — it was somewhat easier to ground a case against a terrorist organisation — to ground an offence as to what constitutes a gang. We introduced new procedures to allow for the use of witness statements, where the witness recants and fails to stand over a previous statement, due to intimidation. The State had a very successful case very recently, when 11 witnesses made written statements and recanted those when they came to court. The judge, because of the change we made, was able to ignore their swearing under oath that they did not want to give evidence. He was able to take the written statement and convict a person for ten years of a very serious offence. Therefore as a result of the change made by the Oireachtas, a serious criminal has been put away.

We also brought in, under the 2006 Act, increased penalties for possession of firearms. We strengthened the mandatory ten-year sentencing for drug trafficking. In the 2007 legislation, we tightened the bail requirements. Now the opinion of a chief superintendent that bail should be refused because a person is likely to commit a serious offence is admissible as evidence under that. There is new mandatory sentencing for repeat offenders and a restatement on the rules governing the right to silence. There are post-release monitoring orders and protection of persons orders to assist the Garda in the supervision of convicted persons and protect witnesses and victims.

We made other changes. There is an indefinite retention period for taking finger prints. The use of reasonable force is allowed in the taking of finger prints, which is draconian in any democracy. There are restrictions on giving video evidence of Garda interviews to suspects. There is the detention of suspects for up to seven days to facilitate the investigation of serious offences, such as murder involving a firearm or explosive, capital murder, possession of a firearm with intent to endanger life and kidnapping involving a firearm or explosive. In the legislation there is also a provision on admissibility in evidence of a videotape of the Garda interview without contemporaneous Garda notes.

As I said, I will bring in a criminal procedure Bill under the justice for victims initiative I announced some months ago. One of the major issues in that legislation is doing away with the rule of double jeopardy. This is a very significant departure from normal criminal law. That legislation is well prepared and the heads of the Bill will go to Government before Christmas for drafting. I hope to have the Bill published before spring 2009. We are including in the Bill something that came up before. We always keep legislation under review and we will continue to do so, but because this issue arose over the past few months, this legislation, which is primarily to deal with some of the issues in the Hogan report on balance in the criminal law, particularly in relation to giving more power to the victims, we are empowering the DPP to seek an order to allow cases to be retried, following an acquittal, including cases where there has been tampering with evidence or with the trial process. We are also introducing a provision whereby notice must be given by the defence. What has happened in recent times is that a number of defence teams have brought in new evidence at a very late stage in a criminal trial. Because of this change they will now have to give notice of such evidence. They will not be able to take the prosecution short by producing evidence at the last minute.

I spoke on this matter on the Adjournment in the other House last night, but it is a fairly restricted way of operating. There is a debate on crime tomorrow, but I felt it was necessary to come to this House and use the opportunity — albeit regarding CAB — to say to all political parties here that the Government is open to any suggestions on legislative change that is necessary, but I must counter that. It must fly from a legal point of view, because irrespective of whether we like it, we have a Constitution which states implicitly that people are entitled to a fair trial.

I thank the Cathaoirleach for giving me some leniency to speak. A number of points were raised recently regarding CAB and bringing people back from Spain and other countries. The Garda Síochána has liaison officers in all major embassies in Europe. We have full-time gardaí in London, Madrid, Paris, Amsterdam, the Hague, where they work with Europol, Lyon, working with Interpol, and in Lisbon, working with MAOC-N, the Maritime Analysis and Operations Centre for Narcotics. When I was in the Department of Foreign Affairs, and in my current Department, I was to the fore in setting up this. We also have customs officers in the Hague for Europol and in Lisbon for MAOC-N, and we will have an additional person there in the coming months.

An Cathaoirleach: There is a provision for Members to ask questions if time is available. As we have approximately seven minutes, I will allow questions.

Senator Ivana Bacik: I am grateful to the Minister for giving us such a full and considered response, and I agree with his comments on the 2006 and 2007 legislation, which I also referred to earlier. He is correct in saying this legislation gave extensive powers to the gardaí, some of which could well be described as draconian in nature, and those powers are enough to ensure trials are likely to proceed more easily to conviction. I am also grateful to him for indicating that he will bring a criminal procedure Bill before the House, and I look forward to debating that.

We should also acknowledge the bravery of the many victims, and their families who have come forward to give evidence leading to successful prosecution in the past. The Minister is right. We must bear in mind the need for a fair trial and observe constitutionality in all criminal legislation brought forward.

I have a specific question on CAB for the Minister. I am glad to see his emphasis on a multi-agency approach, which has been important in the role of CAB in the past. The current chief bureau officer is a Detective Chief Superintendent. Is there scope in the future for the appointment of a chief bureau officer who is not a garda? I think I am right in saying the first chief bureau officer was not a garda. The Minister has said new, non-garda staff have been appointed to CAB, and is it possible to see a non-garda appointed in the spirit of the multi-agency approach?

An Cathaoirleach: I will take three Senators together and then we will have the reply.

Senator Paul Coghlan: I, too, am grateful to the Minister for his comprehensive response to everything that was raised. Will he confirm that he will continue with the policy of not tying the hands of CAB or the gardaí in tackling the drug overlords and gangland crime and that he will be continually responsive to the ongoing need for resources in this area?

I would like the Minister to comment on the direction of operations from within prisons, as we have read much on this. Presumably it is something that is being dealt with and that we want to root out. I accept what he says on our constitutional constraints regarding a fair trial.

Senator Denis O'Donovan: I compliment the Minister on a fulsome debate on this important issue, at a most appropriate time given the unfortunate and tragic incident that occurred in Limerick. A point was raised by a colleague, and is often put to me, that it is perceived by the general public that some of the more reputed criminals find shelter in places such as Spain. I accept that CAB cannot do anything about that. Is there a lack of extradition procedures with some European countries?

I am very concerned. The south of Spain is a lovely place to live. Some eastern European countries I have visited on holidays, such as Bulgaria, have a tendency to carry on old criminal liaisons that existed before the Iron Curtain fell. The worry is that some hitmen are brought in

[Senator Denis O'Donovan.]

here from eastern Europe — that is a known fact. Many of the guns that come in are brought from eastern Europe. Can we improve, within Europe, enforcement in the smuggling of drugs and guns? I am concerned that high-profile criminals who seek refuge or retirement in the sun seem to be able to get away. Can the Minister respond on these matters?

Deputy Dermot Ahern: Regarding the head of CAB, since the first appointment of the solicitor Mr. Barry Galvin, a member of the Garda Síochána has been at the head, and it is the strong view of the Garda Commissioner that a garda should be at the head.

Regarding directing operations from prisons, because of the latest technology there is no doubt that criminals are endeavouring to get mobile telephones into prisons, and there has been evidence that they have been successful in that regard. Members will be aware of some incidents in prisons, in Mountjoy and other places, where there have been riots, supposedly due to over crowding. They have not happened because of over crowding, they have happened because of the tightening of the security regime in prisons. Some high-profile cases include mobile telephones taken into prison in a cake and in the nappy of a child brought into prison. Airport security-type machines are now present in all of our prisons.

There is a diminishing population of mobile telephones in our prisons. We have been trialling, in the Midlands Prison, a very successful system to block mobile telephone signals in and around the prison. The difficulty in older prisons is the thickness of the walls. Mountjoy and Portlaoise prisons also have hospitals across the road from both of them, and blanking out mobile telephone signal has interfered with the workings of the hospital, and people living nearby. Under our telecommunication laws, the State is under a strict obligation on the blocking out of signals. A very successful pilot scheme has been trialled, and operated, in the Midlands Prison and we hope to roll out that to the rest of the prisons.

Senator O'Donovan asked about extradition. We are now party to the European arrest warrant and all the European countries party to that have the ability to extradite from other member states. Our liaison officers work full-time in all of the major locations where there are large elements of an Irish population and where there is significant drug trafficking through those centres. I assure the House that the Garda and security services are extremely adept in that respect.

The CAB was one of the first such tried in Europe. The Northern authorities quickly followed our example and set up their Assets Recovery Agency, which is now a part of SOCA in the UK. Recently, I attended a conference in Enniskillen, at which there were more than 200 policemen and revenue commissioners from various agencies, with my counterpart, Paul Goggins. There is tremendous co-operation North and South in this area.

Irish Agriculture: Motion.

Senator Paul Bradford: I move:

That Seanad Éireann,

in view of:—

- the challenges facing Irish agriculture and the need to encourage the maximum transfer of farms into the ownership of young, qualified farmers;
- the demographic challenge the current age profile of Irish agriculture presents;

- the Programme for Government commitment to ‘Continue to offer a range of supports to young farmers entering agriculture — including education, taxation measures and direct start-up aid’;
- the commitment in the Rural Development Programme 2007-2013 to the rejuvenation of the Irish farming sector as a continued priority of Irish agricultural policy;
- the disproportionate impact changes to the Disadvantaged Areas Scheme will have on farmers and their future viability;
- condemns the Government’s decision to suspend the Young Farmer’s Installation Aid Scheme, the Early Retirement Scheme and to reduce the payments under the Disadvantage Areas Scheme;

and calls on the Government to:—

- immediately restore the Young Farmer’s Installation Aid Scheme;
- immediately restore the Early Retirement Scheme and;
- immediately reverse cutbacks to the Disadvantaged Areas Scheme.”.

I welcome the Minister of State, Deputy Trevor Sargent, to the House.

This motion expresses the disappointment, anger, upset and outrage of thousands of farming families throughout the country arising from the budgetary announcement some weeks ago. If there had not been an October budget and if we were still awaiting the Minister’s annual financial statement, we could be addressing many of the other valid and pressing matters of concern to the farming community this afternoon. We could, for example, discuss the drop in farm incomes, the collapse in milk prices, the problems facing the sheep sector, the problem with regard to farm pollution grants and the deadline imposed by the Department which will cause many farmers not to obtain badly needed grant aid. These pressing issues concerning farmers and the agricultural community have been to the fore in all public debates on agriculture in recent months.

We then had budget day when the Minister for Finance and the Minister for Agriculture, Fisheries and Food combined to introduce a series of budgetary measures that are devastating for the farming community. We must all recognise that the country faces a genuine economic crisis. This side of the House would point out that the problems we face have arisen as a result of incorrect budgetary decisions taken in the past five or six years. Notwithstanding that, we are where we are and must work together to make progress and get out of this situation. The general economic view is that we should try to spread the burden in a fair and equitable fashion so that where there must be pain, it will be shared. All sectors of society recognise this, none more than the farming community.

Farming families throughout the country take weekly, monthly and annual budgetary decisions with regard to their family farms, their businesses, cutbacks, expansion and whatever. Farmers recognise the financial crisis as much as, if not more than, most. However, as a result of the budget, severe and unfair penalties are being imposed across the board. The income levy, for example, and its failure to take into account such matters as capital allowances may be a matter for another day, but it is a big burden on farming families.

The Fine Gael motion refers to a number of the budgetary measures causing such disquiet to farming families, young farmers in particular. I refer first to the young farmers’ installation aid scheme. It must be a political aspiration of the Minister of State and his departmental

[Senator Paul Bradford.]

colleagues to ensure a new generation of farmers and farming families emerge and that land is transferred to trained young farmers who will continue the proud record of Irish agriculture.

In the past 30 or 40 years, significant moneys have been invested in agriculture research, farm training facilities and Teagasc and its predecessor ACOT. We encouraged young farmers to take up agriculture courses, beginning with the 80-hour courses, followed by 120-hour courses and green certificate courses and now training has become more formal. At the end of training there was a possibility for young farmers to get a farm installation grant. That was welcome and was a genuine financial incentive which paid bills and enabled land and farms to be transferred to young trained people and a new era in agriculture to happen. The budgetary decision to discontinue the installation aid scheme was a bolt from the blue.

The same applies to the early retirement scheme. This scheme was introduced some time ago and has been very successful. It allowed retiring farmers to make financial arrangements to allow their lands to be leased or transferred into the hands of the new generation, something that should be encouraged. In a sense, the installation aid grant and the retirement scheme went hand in hand. Therefore, it is a double blow to unsuspecting families to have two significant income schemes withdrawn in a single budgetary announcement.

The final part of the Fine Gael motion refers to the cutbacks in the disadvantaged areas scheme. Since the entry of Ireland into the European Union in 1973, one of the most successful agri-schemes has been the scheme of support for disadvantaged areas. We all recall the campaigns in the 1980s and 1990s to extend the disadvantaged areas. No scheme is ever 100% successful, but from the agricultural perspective, the disadvantaged areas scheme gave help, support and financial assistance to those with the least opportunity, because of the quality of their lands, to generate sufficient income to keep their families farming. The significant cutbacks in the disadvantaged areas scheme is a bitter blow.

The Minister of State is attempting to chart a way forward in the horticultural area, the section for which he has departmental responsibility. We have debated horticulture previously and the Minister of State is the first to acknowledge that, for better or worse, it always will be only a small part of the broader agriculture budget and policy.

It is ironic that the Minister of State at the Department of Agriculture, Fisheries and Food, Deputy Sargent, is taking this debate given his role as a representative of the Green Party. My Fine Gael colleagues and I recall the megaphone campaign conducted during the previous general election to warn farming families that voting for Fine Gael would result in the Green Party entering Government by the back door. As it turned out, the Green Party was introduced to Government by Fianna Fáil, and good luck to it.

The Minister of State is present because the Minister for Agriculture, Fisheries and Food, Deputy Smith, is away on Government business. The Minister and Fianna Fáil wing, rather than the Green Party or Independent wings, of Government must take the blame for selling farming down the river in last month's budget. I appeal to the Minister of State to ask the Minister to reflect on his actions. The proposed cuts are minimal in the context of the overall savings required in the budget but the signals they send are devastating to the younger generation of farmers because they imply that Government policy will not guarantee certainty or long-term support. This is causing young farmers to question their futures in the industry. Last Thursday a meeting organised by Macra na Feirme was attended by hundreds of young farmers who expressed feelings of outrage. Crowds of 800 and more were attracted to public meetings organised by the IFA over the past several weeks and, again, feelings of despair and anger were widely aired.

While farmers are willing to take their fair share of the hardships required under the new economic dispensation, they are not prepared to lie down in the face of these unjust cuts. Notwithstanding that the Green Party is the junior party in Government, I hope the Minister of State will ask the Minister and his colleagues to reflect on what they have done. My party recognises that the nation's financial plight has to be alleviated. In advance of the Budget Statement, the Fine Gael Party spokesperson on finance, Deputy Bruton, presented an alternative economic analysis which accepted the need for financial restraint and pointed out the savings that could be made in terms of public service job cuts and salary caps. These were realistic proposals. We did not table this motion to seek money that does not exist or because we are unwilling to recognise the financial crisis facing the country. Agriculture is an important part of the economy but its future depends on young farmers being able to take over their family farms with the aid of installation grants and retirement schemes for their parents.

Over the past fortnight, my colleague, Deputy Creed, has consistently raised the issue of legitimate expectations. This issue deserves to be addressed in a legal analysis by the Department. Farmers who signed contracts to lease land and completed the appropriate training were in some cases unable to submit their application forms because the Revenue Commissioners failed to stamp their deeds. These people had a legitimate and genuine expectation of obtaining an installation grant for themselves and pensions for their parents but they have been left in the lurch. Their plight must be addressed in the near future.

Senator John Paul Phelan: I second the Fine Gael motion that has been proposed by Senator Bradford and welcome the Minister of State to the House.

On Monday night I attended a meeting organised by the IFA in my area of Carlow-Kilkenny at which approximately 700 farmers from counties Kilkenny and Carlow gathered to express their frustration and anger at the cutbacks in agriculture announced in the budget. I know from that and other meetings throughout the country that several Government backbenchers have indicated their support for the issues raised by farming organisations with regard to the cutbacks, which leads me to hope that Senators on the Government side will consider supporting this motion.

The motion refers in particular to the suspension of the installation aid and early retirement schemes. It is being suggested in Government circles that they may be reintroduced next year but I do not buy that argument. Anybody who looks at the economic situation which the country faces would have to question whether we will be in a position to reverse these decisions by next year. I am also wary of the word "suspension" given that Fianna Fáil suspended rates on housing in 1977. Although I hope the suspension of rates is never lifted, I would like to see a reconsideration of the suspension of the farming grants.

It is not long ago that I was in school with people who are now transferring lands or taking out leases to establish themselves as farmers in their own right. I have received a number of inquiries from people regarding the installation aid scheme and the early retirement scheme which provides a level of financial security to retiring farmers. The decision to suspend these schemes is strange given the small amount of money that will be saved. The European Union provided 42 cent in every euro paid into the farm retirement scheme.

The Government has rightly stated its intention to spread the burden to every sector of society as we try to return to economic growth. However, it is clear that the budget has singled out agriculture for unfair treatment. Farmers will be particularly affected by the 1% income levy because it is taken from gross income. Anybody with an understanding of agriculture will be aware that farms may have substantial levels of gross income but, because of depreciation and the high costs incurred by farmers, the net income is relatively small. I understand that

[Senator John Paul Phelan.]

Fianna Fáil backbenchers are exploring ways of changing that requirement in advance of the introduction of the Finance Bill 2008. I hope that can happen.

I refer to the point made by Senator Bradford about the legitimate expectation in respect of the installation aid scheme. He is correct. I have come across a number of cases involving the transfer of land or property, which is a lengthy process and can take up to 12 months when solicitors and the Land Registry are involved. A neighbour and friend, who I went to school with, received final transference on 10 October. He did not submit his installation aid application because the budget announcement was a bolt from the blue, as Senator Bradford pointed out. Like hundreds of others, he finds himself in an awkward and uncertain situation because no guidelines have been issued by the Department of Agriculture, Fisheries and Food on where the cut-off point will apply. Usually, when a scheme is suspended we are told it will apply from 1 January and that there will be a lead-in time for people to get their applications in. That is not the case in this suspension, which took effect at 12 midnight after the budget announcement. Perhaps the Minister of State will clarify that.

The suckler welfare scheme is a particular issue in my part of the world, where many farmers are involved in suckler and sheep farming. These two sectors have not been doing well over the past few years, particularly the sheep sector. The suckler welfare scheme was designed to give a payment of €80 per cow to suckler farmers. Many farmers entered the scheme in good faith and made financial commitments on the basis that this payment would be made. These promises were made in advance of the last general election. I am not trying to be overly political but these were two more election gimmicks held out to the electorate. As soon as the election is over and the economy goes through a rocky patch, the schemes are drastically cut in the case of the suckler welfare scheme and possibly never will be implemented in the case of the proposed sheep scheme. Farmers made investments and commitments on the back of the suckler welfare scheme being introduced. For the Government to cut the funding in half before making the first payment is particularly wrong and unjustifiable. I hope the Government reviews that.

I have much empathy for young farmers. I urge the Government to reintroduce the installation aid scheme and the early retirement scheme. We were told that every sector would have to share the burden in order for us to return to economic success. It is clear that farmers are being asked to shoulder a disproportionately large part of the burden. A number of discussions have outlined the areas affected in the budget and I hope the Minister of State and Government Senators are in a position to support the Fine Gael motion to ensure these schemes are reintroduced. Only 9% of the farming population is under 35 years of age. I have two brothers who are farmers and all my life I have heard people saying we should be encouraging young people to get involved in agriculture. These two schemes were specifically aimed at encouraging more young people into agriculture at a time when agricultural colleges are bursting at the seams with people applying for places on courses and when the only safe jobs in rural Ireland over the past few years were in farming and construction. Construction jobs are disappearing and young people from farming backgrounds are looking at agriculture as a viable future. At such a time, the Government has the bare-faced cheek to remove the two schemes that would give the most benefit to people to get into agriculture and would provide an incentive to older people to transfer land to younger people. It is an absolute disgrace and I hope the Government will reconsider it as soon as possible.

Senator John Carty: I move amendment No. 1:

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

“notes that:

- having regard to the objectives of budget 2009, including the objective of ensuring that Ireland has a solid basis for economic recovery when world economic conditions improve, the Minister for Agriculture, Fisheries and Food has protected the most productive elements of the Irish agrifood sector;
- total expenditure in 2009 by the Department of Agriculture, Fisheries and Food, including EU funding, in support of the agriculture, fisheries, food and forestry sectors, will be €3.26 billion, in recognition of the role the sector has to play and the enormous contribution it makes to the Irish economy;
- the Minister for Finance has confirmed the extension of a number of tax reliefs worth €65 million annually to Irish farmers;
- a record level of funding of €355 million is being provided for the rural environmental protection scheme in 2009, bringing to €2.5 billion the amount provided for REPS this decade;
- the Minister has ensured that the commitment, entered into with the farm organisations in partnership, to provide €250 million for a suckler welfare scheme is being honoured in full;
- the Government is currently funding the most ambitious and generous on-farm investment scheme in the history of the State, through which €615 million of taxpayers' money is being provided for the farm waste management scheme between 2007 and 2009;
- expenditure on forestry will increase next year by 6%, to €127.7 million, which recognises the importance of forestry in contributing to meeting the challenge of climate change;
- the provision of €118 million for the seafood industry in 2009 demonstrates the Government's commitment to this important sector;
- that the Government continues to negotiate the most favourable CAP framework for Irish agriculture and food, including at next week's CAP health check negotiations; and

that given the background of a significant tax shortfall and continuing pressures on public finances, it was necessary to make choices between competing demands and that, accordingly, the Minister

- has reduced expenditure on area-based compensation payments in a targeted way that
 - ensures that the majority of farmers participating in the scheme will experience no reduction in their payments;
 - the average participant in the scheme will not be affected; and
 - that notwithstanding the economic pressures, the Department will still pay €220 million to over 100,000 farmers in 2009

[Senator John Carty.]

- has temporarily suspended entry for new entrants to the early retirement and young farmers' installation aid schemes, though the Department will still pay €48 million in pensions and €9 million in grants under the respective schemes in 2009;
- has indicated that issues in relation to the disadvantaged areas payments as well as the installation aid and early retirement schemes can be reviewed as soon as the current budgetary constraints allow; and

acknowledges

- that the Government recognises fully the role of the Irish agrifood and drink sector, which accounts for 9.7% of the country's exports and 8.2% of total employment and remains absolutely committed to the continued support and development of the sector as the most important indigenous sector in the Irish economy."

I welcome the Minister of State, Deputy Sargent, in the absence of the Minister for Agriculture, Fisheries and Food, who is on important business in the US. I welcome the opportunity to speak in this important debate.

We are living in turbulent times, which is having an extremely negative effect all over the world. Our public finances are in rapid deterioration and, in budget 2009, necessary changes were made to try to stabilise our economy. Every section of society and every Department had to make reductions because, if not, our economy would go down and we would revert to a worse situation than in the 1980s. This is a world recession, involving every place, not just Ireland or Europe. This week, China pumped €600 billion dollars into the economy to try to avert disaster. The sum in the USA was \$170 billion and in Japan, it was \$50 billion.

It is unfortunate that agriculture had to bear a proportionate amount of the burden. The Minister, Deputy Smith, went about this in a fair way that would not have a hugely adverse effect on the farming community. It is important to remember that €3.2 billion will be spent in 2009 supporting the agricultural sector.

There is much criticism of the suckler cow welfare scheme, suggesting there will be a shortfall in payments in the next couple of years. That is not exactly true. Some €250 million was ring-fenced for the scheme over a five-year period. This amount will be paid. Some €77 million will be paid in the next week to 54,000 farmers, working out at approximately €80 per cow. There will be less next year but more the year after, up to the total amount of €250 million.

The young farmers installation scheme and the early retirement scheme are being suspended, to be brought back in 2010 and 2011. The schemes are being suspended for new applicants but have not been stopped. Some €9 million has been provided to ensure payment is made to applicants whose applications were received before 14 October. Some €48 million is provided to pay pensions in 2009. The Minister has assured me that the schemes will be reintroduced after a period of time.

Senator Joe O'Toole: Did Senator Carty believe him?

Senator John Carty: I did.

Senator Joe O'Toole: Senator Carty is a soft man.

Senator John Carty: Some €355 million has been provided for REPS in 2009, a 17% increase for farmers joining REPS 4 as new entrants and transferees from REPS 2 and 3. This is a major increase and is most welcome. The Minister is to be complimented on retaining this important contribution to farmers' income. Great work was done with this money, particularly in my part of the country where farms are small. Farmers have upgraded their premises and have them looking well. They are doing a good job with the moneys they receive.

The disadvantaged areas payment for 2009 has taken a hit and the Minister had to take that action reluctantly. In so doing, of 102,000 participants in the scheme, 65,000 will experience no reduction in their payments, while 37,000 participants will. The farmers affected will be those with more than 34 ha or 82 statute acres. Those with acreage under this will not be affected. Some €220 million will be paid to farmers in 2009 under this scheme. Farmers with commonage, that is large acreage along the west coast where the land is bad, will be affected most. The 17% increase in REPS will help to offset this. I and my colleagues have asked the Minister to revisit this issue to establish if something can be done for the farmers who have commonages and poor land.

The former and current Ministers for Agriculture, Fisheries and Food have funded an ambitious and most generous scheme under the farm waste management scheme. A total of €615 million from the Exchequer has been provided for this scheme between 2007 and 2009. In this year alone €377 million will be paid to participants in the scheme. The Minister, Deputy Smith, must be thanked for securing €195 million as an exceptional Supplementary Estimate this year, his Department being the only one to secure that. It shows the Government's commitment to the Irish farmer.

Agriculture is important to Ireland and its economy. As we know, 90% of our produce is exported and this accounts for nearly 10% of our total exports.

I stated that I would much prefer if there was no suspension of schemes and no reduction of payments to the farming sector, but in the current climate that is not possible. The Minister did a good job in getting the balance right thereby ensuring that the least number of farmers would be affected. It is not many years ago, in better financial times, that a Minister for Agriculture, not from this side of the House, I hasten to add, suspended the control of farmyard pollution scheme. Not alone from April 1995 were no new applications accepted with immediate effect but approvals of the 12,000 applications then on hand also ceased on that date due to, as the then Minister of State said, "the unprecedented demand from farmers for aid under the scheme".

Acting Chairman (Senator Fiona O'Malley): I invite Senator O'Toole to speak.

Minister of State at the Department of Agriculture, Fisheries and Food (Deputy Trevor Sargent): I thought I was due to speak next.

Senator Joe O'Toole: I am happy to wait until the Minister of State has spoken. Más mian leis an Aire caint anois, away leis.

Deputy Trevor Sargent: Ba bhreá liom, más féidir liom.

Senator Joe O'Toole: Ar aghaidh leat mar sin.

Deputy Trevor Sargent: Go raibh maith agat, a Chathaoirligh.

Senator Joe O'Toole: We are very co-operative on this side.

Deputy Trevor Sargent: Tá áthas orm sin a chloisint. Sin dea scéal. Before speaking on the motion, my colleague, an tAire Talmhaíochta, Iascaigh agus Bia, an Teachta Brendan Smith, has asked me to extend his personal apologies for not being in a position to participate in this debate. As Members will know, the Minister, Deputy Smith, is in the United States, fulfilling a long-standing commitment with Enterprise Ireland to promote Ireland's food investment and innovation strategy. Knowing that he would be away this week, he offered to come into the House on Tuesday next, on the eve of a very important Council of Agriculture Ministers meeting, to facilitate the debate. Notwithstanding his absence, I assure the Cathaoirleach and Members of the House that he is following closely this evening's proceedings.

I welcome the opportunity to contribute to this debate. I thank Senators Bradford, John Paul Phelan and Carty for their contributions and look forward to hearing the contributions of Senator O'Toole and other Senators in due course. I believe that everyone in this House at least appreciates the extent and depth of the current global financial turmoil. In 2009 we expect to have to borrow €37 million per day, which is not an inconsiderable sum. I hope that the understanding of that will help us to come to terms, to some extent, with budget 2009 and the expenditure Estimates, which were prepared in unprecedented circumstances having regard to the need to restore stability to the public finances. It is far more than a rocky patch, as Senator John Paul Phelan described it, and very difficult choices had to be made. The Minister, Deputy Smith, I and the Government generally are acutely aware that having to make choices inevitably would create difficulties with which all of us have to come to terms.

However, we are convinced that the best interests of the economy and the country are served by the type of decisive, corrective action we have taken. The Government and the country must be resilient in the face of global difficulties. Difficult decisions on public expenditure levels generally were therefore necessary and the agriculture sector had to bear a proportionate — I hope Members will understand it is a proportionate — amount of the burden.

Senator John Paul Phelan: It is a disproportionate amount.

Senator Paul Bradford: It is disproportionate.

Deputy Trevor Sargent: I hear what the Senators are saying, but I am saying something else and I hope they will listen to me.

As the Minister, Deputy Smith, made clear on a number of occasions, the strategy we employed was to protect those measures which will ensure the future development of a productive and competitive agriculture, fisheries and food sector. Therefore, in making his decisions for 2009, the Minister, Deputy Smith, sought to ensure funding for those schemes which have been identified as priorities for the sector in the long term.

Notwithstanding that spending had, by necessity, to be prioritised, the reality is that €3.2 billion of public funds, as Senator Carty said, will be spent in 2009 in supporting the sector. This demonstrates again the Government's recognition of the importance of the agriculture, fisheries and food sector to the economy.

It is also clear from the expenditure Estimates that the schemes allowing the sector to meet emerging demands have been protected. For example, a record level of funding of €355 million has been provided for the rural environment protection scheme. This amount allows the increase of 17% in rates announced by the Minister, Deputy Smith, to be paid and will bring the total amount spent on the scheme since 2000 to €2.5 billion. Through successive REP schemes, my Department is contributing to the reduction of greenhouse gas emissions by promoting specific measures, including willow plantations, establishment of farm woodlands and

the protection of the carbon storage potential of Ireland's wetlands. This matter was debated at a meeting of a committee earlier, a debate to which some Members may have listened or in which some may have participated.

Organic farming, a particular interest of mine, which is less energy intensive than non-organic methods because of the non-use of nitrogenous fertiliser and other agrichemicals, is supported by REPS and the ongoing conversion grant supports. Organic farming further advances the battle against climate change, which was discussed at that committee meeting, as well as taking advantage of new and emerging market opportunities. There has been an 82% growth in organic purchases during the past two years, an area with huge potential for growth.

In addition, forestry will also play a major role in combating the urgent issue of climate change. There is an increase of 6% per cent in the forestry provision, bringing funding up to almost €128 million while €118 million is being provided for fisheries.

The commitment, entered into in partnership by the Government and the farm organisations, to provide €250 million over a five-year period for the suckler cow welfare scheme is being honoured in full. This is a new stream of farm income and the first year's payment of €77 million to approximately 54,000 farmers will be made in the next few months. There will, however, be an impact on the level of premium in future years due to the exceptional level of participation in the scheme. The limited amount of funding means that it must be spread proportionately.

My Department is also funding the most ambitious and generous on-farm investment scheme in the history of the State, through which €615 million of taxpayers' money is provided for the farm waste management scheme between last year and next year. This year alone, my Department will pay €377 million in grant-aid to thousands of farmers. This includes an exceptional Supplementary Estimate of €195 million for my Department, as an indication of the Government's commitment to the sector and to ensure that thousands of Irish farmers receive this grant promptly. Again, this is a measure that protects the productive capacity of the sector.

For reasons I have outlined, we had to restrict expenditure in certain areas. We still managed to provide €57 million for the young farmers installation aid scheme and the early retirement scheme for farmers. This allows us to meet current commitments but, unfortunately, we had to temporarily suspend — I hope that word means what is stated in the dictionary — new applications for both schemes. As the Minister, Deputy Smith, pointed out, this will be kept under review in the context of the budgetary situation.

There were a number of positive measures for young farmers in the budget. Most important, stamp duty relief for young trained farmers was renewed for four years until 31 December 2012. This means that, in combination with capital acquisitions tax — agricultural relief — and capital gains tax — retirement relief — the vast majority of early farm transfers are exempt from tax. This helps to reduce significantly the cost of early farm transfer. In addition to these measures, stamp duty relief for farm consolidation was extended for two years from 1 July 2009 to 31 June 2011. Both the general and young trained farmers' rates of stock relief were renewed for two years and the accelerated capital allowance for necessary farm pollution control facilities was extended in the budget from 31 December 2008 to 31 December 2010.

When combined the renewed agricultural tax reliefs in the budget are estimated to be worth more than €65 million to the farming community. Furthermore, the top rate of stamp duty on agricultural land transactions was reduced from 9% to 6% on amounts in excess of €80,000 with effect from 15 October. This should make agricultural land more affordable and encourage a higher number of transactions.

[Deputy Trevor Sargent.]

We have provided more than €220 million for the 2009 disadvantaged areas scheme. Unfortunately, this represents a reduction in expenditure under the scheme for 2009. We are effecting this reduction by limiting the maximum area to 34 hectares, 84 acres, and by a small increase in the minimum stocking density requirement. This means that almost 67,000 of the 102,000 participating farmers will not suffer any reduction in their payments. Furthermore, all claimants under the scheme will continue to benefit from the substantial increase of 8% in the rate of aid introduced by the Government in 2007.

In addition, of the 102,500 farmers who benefit under the disadvantaged areas scheme, in excess of 50,000 of these also benefit under REPS, while in excess of 47,000 also benefit under the suckler welfare scheme, which as I said introduces a new stream of payments to farmers in 2008. In addition to the payments under these schemes, payments to farmers with disadvantaged area lands under the single payment scheme amount to a further €920 million. The total amount payable therefore represents very substantial payment to farmers situated in the designated areas. Notwithstanding the reduced provision, the reality is that the disadvantaged areas scheme continues to be one of the best funded schemes of its type in the European Union.

Since the publication of the budget, some comments have been made which seek to misrepresent the factual position on expenditure by the Government on the agricultural sector. I wish to use the opportunity this evening to clarify some of these matters. It has been suggested that the sector has borne a disproportionate reduction, but the facts do not bear that out. I accept that at first glance, based on the figures that appeared in the budget documentation, it appears that the Department will experience cuts of 13% in spending in 2009. However, the figure given for 2008 includes, as I mentioned, an additional one-off allocation of €195 million to what was originally allocated for the Department in 2008. When this figure is correctly removed from the mix, the 13% cut being reported widely is in the order of 2.5%, which is in line with reductions in other Departments, and to suggest otherwise is just not honest.

When account is taken of EU funding, a total of €3.2 billion will be spent by the Department of Agriculture, Fisheries and Food in support of the agriculture, fisheries, food and forestry sectors. By anyone's standards, that is a very substantial commitment by the Government and the EU to the Irish agrifood sector for the coming year in the face of a very serious global economic downturn.

The long-term prospects for agricultural commodities on world markets are good at this time. In this House and the other House, we regularly talk about the need for the market to drive growth in the sector. Now, perhaps more than ever, we have an opportunity to play to our strengths, particularly in quality foods such as grass-based beef and dairy production. Global demand for both is forecasted to double in the next 40 years. It is imperative that Ireland makes every effort to develop at the premium end of such markets. As I said, the Minister, Deputy Smith, is in the United States of America working with Enterprise Ireland and Bord Bia to maximise our export markets for the future.

While prudent fiscal decisions needed to be taken in recent times, I am confident, as is the Minister, Deputy Smith, that farmers and the wider rural community are willing to play their part in accepting certain revisions in spending, which will allow the economy to come through this extremely difficult period. Agriculture and the food sector represent one of the most important indigenous elements of our economy. Its long-term success is due primarily to its exceptional resilience and adaptability when it comes to facing challenges. The Minister, Deputy Smith, and I look forward to working constructively with all stakeholders to achieve the best possible outcome for them and the economy as a whole.

Senator Joe O'Toole: Go raibh míle maith agat a Aire as an méid sin ach caithfidh mé a rá nach raibh morán ann chun dóchas a thabhairt d'fheirmeoirí na tíre i ndáiríre. Tá cúpla rud sa mhéid a dúirt an Aire atá tábhachtach agus tíochnaí mé ar ais chucu go luath. I begin by congratulating Senators Bradford and John Paul Phelan on tabling this excellent and timely motion. I feel sorry for my colleagues on the other side of the House, including my friend, Senator Carty, who I know is probably as worried about these issues as I am and is under a party whip on the issue.

There is no hope in this. I had intended to speak at some length on installation aid, early retirement and the other related issues addressed by the proposer and the seconder, but the Minister of State raised some issues in his speech to which I want to return. They are absolutely contradictory, do not sit with the position coming from the Department of Agriculture, Fisheries and Food and raise major questions for me. I will come to those shortly.

Following the announcement of the budget I met some of the farmers' groups. What they have faced is appalling. They are the quieter victims of the budget. I do not argue with the Minister of State's statistics, but farmers have taken a reduction in income. The amount they have been getting for their commodities over the past ten to 15 years has been reducing. That is not the fault of the Minister of State or the Government, but it relates to global issues. However, the provisions in the budget will make it more difficult for farmers to get a sustainable livelihood from their lands. The reduction in the disadvantaged areas scheme from 45 ha to 34 ha was particularly difficult. That is absolutely unfair given that we are talking about places such as boglands and the sides of hills.

I support the motion and had considerably more to say on those issues. Suffice to say that I concur completely with the points made by the proposer and the seconder. I believe farmers individually will take an average income reduction of approximately 11%. I do not argue with the point made by the Minister of State that the effect on the agriculture budget is different. However, there is a reduction in what farmers are earning. In addition, like everybody else, they will also be hit by the levy, which is fine for those earning a decent income.

The Minister of State took my breath away in some of the things he said in his speech. Towards the end of his speech he said that despite the current global economic situation, "the long-term prospects for agricultural commodities on world markets are good at this time." He went on to say that the demand for dairy and beef products is forecasted to double. Let us consider this in the context of what he said earlier about climate change. Europe is demanding a 20% reduction in agricultural emissions. While I stand to be corrected, I believe there is no way — this is why I am disappointed in the Minister of State's speech — that Irish farmers will be able to double output and at the same time comply with a 20% reduction in emissions. It cannot be done, as I have been advised by the Department of Agriculture, Fisheries and Food. The only way to comply with a 20% reduction is by decimating the size of the national herd. There is no other way it can be done. Unless we put nappies on cows or keep them in tents, there is absolutely no way that we can sort out the emissions from cattle in fields given that the Minister of State talked about them being grass-based. This cannot be done. It is a conundrum and there is no way the Minister of State can match his two points. One of the reasons I wished to speak tonight is that there is a long-term issue for Irish agriculture, which will be decimated on that basis.

The Minister of State also stated forestry will play a major role in combating climate change. The Minister of State's Department has indicated the Government had previously proposed that total land use would be taken into consideration in dealing with agricultural emissions but this is not being allowed. The forestry element will not be taken into consideration. That is

[Senator Joe O'Toole.]

what we have been told on the climate change committee by the Department. The Acting Chairman heard that today, along with Senator Coffey and me. We questioned the representatives from the Department and got a very clear and fair presentation, but it is at odds with what the Minister of State told us this morning. Alternatively, we are not being told all of what we need to hear tonight.

I believe the Minister of State and agree that the world demand for beef, for example, will double. Arising from Europe's direction, we must reduce the emissions from agriculture here, which means herds must be reduced. Therefore we will not be able to supply the demand for beef in Europe from Europe. I am not making this up as I go along; these are incontrovertible facts. Irish farmers will see a growing market — as the Minister of State rightly indicated — but will be unable to participate. They will not even be able to hold their own position in the market. The gap will be filled by Argentinian and Brazilian beef coming to Ireland at the cost of the rain-forests in South America, food miles and inefficient farming habits in South America. That is the future being faced by Irish farmers currently.

As well as being hit by the budget, these farmers are not even being told what is coming down the line. They face eradication and need a champion. I know the Minister of State's own views on these issues and he must speak for them. The hits taken in the budget should and must be reversed, although this would only be a stepping stone. We must then consider the greater good. I know the Minister, Deputy Brendan Smith, has indicated he cannot see how we can meet the 20% reduction in emissions. He is 100% correct, as it cannot be done if we are to take advantage of the demand for dairy products and beef.

When the commodities market is finally coming right after 20 years going the wrong way for the Irish farmer and agriculture industry, they will not be there to take advantage of it. They will be halving their herds and shooting the cows. If the Minister of State finds a solution to this, he will be promoted immediately to a senior position in Europe. What I have said is correct or else I have been misled by all the experts appearing before us in dealing with the issue.

I agree that we are in a position to produce green clean island food in many ways. On the previous occasion the Minister of State was in the House I asked him to ensure farmers' markets got greater recognition and support, and he agreed with me on the issue. I also asked him about the nonsense of sorting vegetables by their shape. I told him that in the middle of his constituency we were dumping misshapen tomatoes that French housewives would be dying to buy. I am glad the European Union has reversed that daft decision today and I hope the Minister of State will claim some credit for that. He is entitled to do so.

Deputy Trevor Sargent: Thanks.

Senator Joe O'Toole: I support this motion. I urge my friends on the Government side of the House to think again before voting against a superb vindication of Irish agriculture and farmers and the support to which they are entitled. We should stand with them and invest in agriculture rather than cutting back.

Senator Dan Boyle: It is difficult to follow a contribution in praise of misshapen vegetables but I agree with some of what Senator O'Toole has said. He has made an argument which has little to do with this debate.

Senator Joe O'Toole: The Minister of State's speech had even less to do with this debate. We learned that one a long time ago.

Senator Dan Boyle: I am familiar with the Minister of State's speech.

Senator John Paul Phelan: It had nothing to do with the motion.

Senator Dan Boyle: There are two issues at hand, one of which is the effect of the spending curbs in the 2009 budget, with another being the wider debate alluded to by the Senator. I am sure we will have many contributions in that respect. It is a debate which takes in international negotiations and a common position within the European Union. We will have to consider how Irish agriculture fits into that and I am confident Ministers will address that in the proper context.

The Opposition is presenting a second motion after the 2009 budget and I am sure we will see a plethora of related motions for the rest of this session and probably early into the next session.

Senator Paudie Coffey: We will hold the Government to account.

Senator Dan Boyle: It is not so much holding to account but making a play——

Senator Paudie Coffey: We are representing the people

Senator Dan Boyle: ——on a series of unpopular decisions in a very difficult budget. The list of those decisions includes the ending of universality for those over 70 with regard to medical cards——

Senator John Paul Phelan: This is a debate on agriculture.

Senator Dan Boyle: ——the spending curbs on education——

Senator John Paul Phelan: We are talking about agriculture.

Senator Dan Boyle: ——and the decision not to proceed with a programme of vaccination for cervical cancer.

Senator Paudie Coffey: Incorrect decisions.

Senator John Paul Phelan: What has this to do with agriculture?

Senator Dan Boyle: The motion is concerned with spending curbs in the Department of Agriculture of Food. With every one of these, the main Opposition party has said the cuts must be reversed in their totality.

Senator John Paul Phelan: Yes, absolutely.

Senator Dan Boyle: When the cost of the measures are added up, there would be an increase in the already significant hole by €500 million.

Senator John Paul Phelan: No, that is absolute nonsense.

Acting Chairman: Allow Senator Boyle speak.

Senator John Paul Phelan: He is not speaking to the motion.

Senator Dan Boyle: If measures of this type are to be introduced——

Senator John Paul Phelan: He is not talking about agriculture.

Acting Chairman: I ask Senator Phelan to allow Senator Boyle make his contribution.

Senator Dan Boyle: If the Senator allows me, I will speak specifically about the spending curbs being introduced and their likely effect. In terms of the €500 million——

Senator John Paul Phelan: Agriculture.

Senator Dan Boyle: ——one would talk about increasing taxes or further decreasing public expenditure.

Senator John Paul Phelan: Can the Senator speak about farming?

Senator Dan Boyle: I will say one thing before I move on to the substance of the Opposition motion, if given the opportunity to do so.

Senator John Paul Phelan: Think of the environment and the hot air being generated.

Acting Chairman: Senator Phelan should allow Senator Boyle make his contribution.

Senator Dan Boyle: We have curbed public expenditure in this budget by €2 billion.

Senator John Paul Phelan: The Senator would not know the first thing about agriculture. He has not got a clue.

Senator Dan Boyle: At the same time we have borrowed and intend to borrow €4 billion just to keep public expenditure on some sort of even keel.

Senator John Paul Phelan: The farmers are the soft target.

Senator Paudie Coffey: Who is responsible for the deficit?

Acting Chairman: Senator Boyle, without interruption.

Senator Dan Boyle: If we were not to borrow that €4 billion, we would be cutting €6 billion across Departments — three times the depth of the current cut.

Senator Paudie Coffey: How many farmers does the Senator represent?

Senator Dan Boyle: There are many in Cork South-Central.

Senator Paudie Coffey: I wonder.

Senator Dan Boyle: It is very fine agricultural land and there are some very fine farmers there. With regard to the unfortunate levels of cuts proposed in this year's budget and their likely effect, there is no doubt there will be consequences. The role of the Department of Agriculture and Food and the Government in general is to try to lessen that effect.

I hope those on the Opposition benches will be impressed with my figures. Taking the example of the disadvantaged areas scheme, 65,000 of the 102,000 farmers will get the same payment.

Senator Joe O'Reilly: It is the use of the figures.

Senator Dan Boyle: Those who have farm holdings of 31 hectares, the average holding for farms in the scheme, will see no effect on payment.

Senator Paul Bradford: What about the income levy?

Senator Dan Boyle: The income levy will be dealt with in the context of the Finance Bill. One must look at farming incomes differently. Some are direct payments in the common agricultural form but farms are enterprises. Their output cannot be measured with the income, and the Finance Bill must introduce measures that reflect this. I am sure the income levy will be applied fairly in those circumstances.

There is a suckler commitment in Towards 2016 which will be honoured in full.

Senator Joe O'Reilly: That is in the archives.

Senator Dan Boyle: The Government has entered into commitments it is allowed to and has tried to restrict what had been, up to now, discretionary payments. The main cut this year is the ending of the farm waste management scheme, although there was a hope to extend it. In the past year alone €195 million was spent on that scheme and in the past three years €615 million was spent on it. One cannot say there has not been a commitment on the part of the Government to tackle — with some success — through farm organisations and individual farmers, farm waste and pollution. That is a huge sum from public expenditure. However, that commitment is coming to an end, and it was known it would come to an end. In the context of low and diminishing public finances, those are the type of decisions we have to make. If one takes out the farm waste management scheme, one is talking about a cut in current expenditure in the Department of Agriculture, Fisheries and Food of 1%. Most of the cuts are in capital expenditure. On that basis the remaining finances are there to be targeted to ensure we have a viable and sustainable system of agriculture in the future, especially to face the upturn, as and when it comes, but it can only come when public finances are available to be invested across the board in a way that all of us in society can endure.

While the motion reflects a concern among rural communities and the farming industry, it lacks a reference to what agriculture can contribute to the national recovery in times of economic stress. The lack of ideas from the Opposition parties makes me question whether they have the interests of agriculture and rural communities truly at heart. What they are engaging in with motions of this type is nothing other than points scoring. The motion does not represent a vision of agriculture as it is or what it could be and what it is likely to become. I hear nothing but an empty silence from the Opposition parties in those areas.

Senator Paul Bradford: Senator Boyle saw the Fine Gael pre-budget proposals. They represented a vision of agriculture.

Acting Chairman (Senator John Paul Phelan): Senator Boyle should be allowed to speak without interruption.

Senator Joe O'Reilly: That is deflecting from reality.

Senator Dan Boyle: I acknowledge that Fine Gael has a particular interest in rural and farming communities in terms of its voter base and its political history.

Senator Nicky McFadden: We are addressing the budget cuts. That is the thrust of the motion.

Senator Dan Boyle: Members must acknowledge that the budget, through a series of targeted tax relief, has also invested in agriculture through young farmers.

Senator Paul Bradford: Senator Boyle should speak to the motion. The installation aid grant was cut for young farmers.

Acting Chairman: Senator Bradford should allow Senator Boyle to speak without interruption.

Senator Dan Boyle: What about the tax reliefs in the budget that were not mentioned in the motion? It is all of a piece.

Senator Paul Bradford: Through the Chair, I spoke on the motion before the House, which I thought was the subject of the debate.

Acting Chairman: Please, Senator Bradford.

Senator Dan Boyle: The Opposition is being selective in the motions that are put forward. If motions do not reflect the positive measures for agriculture that are included in the budget then the Opposition is being further dishonest. On those grounds I cannot support tonight's motion. I acknowledge that we must overcome the situation that has resulted from the current state of public finances that is putting a burden on agriculture and the farming industry in particular.

Senator Joe O'Reilly: I respectfully suggest to my good friend Senator Boyle that he spend some time with farmers.

Senator Paudie Coffey: Hear, hear.

Senator Joe O'Reilly: The backdrop to any discussion of the farming cuts must be a recognition that in addition to farmers, the entire rural economy is affected. I refer to the towns and villages of rural Ireland which are essentially dependent on agriculture. We are not just discussing cuts to farmers; we are discussing cuts in the viability of towns of 5,000, 10,000 and 15,000 people.

The savage cuts that affect farmers are characterised by an absence of parity, justice and fair play. Farmers will be affected by the income levy of 1% on gross income. That is the sinister part, as farmers will also have to pay the increased registration fee for their children in college and the increased cost of admission to hospitals. Farmers are liable to be affected by all the regular hits of the budget, such as the 1% levy, and they are prepared to pay their due. It would be fair game if the matter stopped there, but in addition to the normal imposition people accept in difficult budgetary circumstances there is the savage attack on the disadvantaged areas scheme, the suckler cow welfare scheme and mobility in agriculture to which I will return.

Farmers are being attacked from every possible angle. I will refer in due course to the legal challenge to the cuts to the installation aid scheme. One would get a sense that under the Constitution farmers are to be pilloried, separated and treated differently from other sectors. Why do they have to put up with other impositions in addition to the normal income levy? Why are they being treated differently? The implications of the cuts to the disadvantaged areas scheme will amount to €950 to €1,500 for an average farmer, which is a significant drop in income. The implications of the reduction in the suckler cow welfare payment from €80 to €40

will amount to €2,000 to €3,000 for an average farmer. One medium-sized farmer told me recently that he will lose €3,400. We are talking about a serious income hit.

The constraints of time make it important that we get the salient points across. I deplore the ivory tower nonsense of Senator Boyle who must live on another planet. I meet real farmers every day who are affected by the cuts. The change in the installation aid scheme gives rise to serious concern. Some people are in no man's land. Perhaps that is not an appropriate term in this week of remembrance. Certain individuals have spent, on average, two years in agricultural college where they have spent money on legal teams for the transfer of farms.

I will outline one case that will serve to illustrate the multitude of cases. One young man I know attended Ballyhaise agricultural college in County Cavan for two years. He spent €8,500 between practical work on his farm and legal fees in preparation for the transfer of the farm from his father to him. That young man is a current applicant. He is one of the group that is especially affected and who has what in legal terms is referred to as legitimate expectation. I understand he will take a court case. Farming organisations, specifically the ICMSA, the IFA and others, will take legal cases in this regard, and rightly so because young farmers have acted in good faith, given of their time and invested in the transfer of farms.

Let us examine the money that is rightly spent on supporting IDA Ireland to secure foreign direct investment to create jobs in this country. Previously, young farmers received €15,000 to set themselves up in business. That was the sole investment in that one job, and possibly other jobs would be created on each farm. That was very good economics as it provided secure, long-term employment, especially in the context of international food shortages. If jobs created through foreign direct investment had similar longevity we would say they were worth €80,000 each. Much of the €15,000 would be invested anyway in VAT and other forms of taxation. That cut was a mistake.

Senator Carty will empathise with what I have to say and that may change his view on supporting our motion when the time comes to vote. The only time money came to a farm household was when people got the farm retirement pension. That was Valhalla and Nirvana. It was their special time in life and people were very happy with it. It was wonderful for people to get a few extra euro at that time in their lives. In some cases it was the only time real money — cash — ever came into the house. It was a lovely lift for people and it is wrong to suspend that payment.

Recently, Senator Boyle has made almost a career out of posing the question, "What would Fine Gael do?" Historically, Fine Gael has always done the right thing in budgetary terms.

Senator John Carty: That was not too often.

Senator Joe O'Reilly: Populist politics would not have supported it but we did produce an alternative budget and we have produced alternative ways of accumulating the same money. We say the cuts are misdirected and misplaced. They are a mistake in that the extent of the income reduction will make it unviable to continue to farm in many instances, thus affecting the numbers. It is also a mistake not to allow older farmers to move off their farms such that they can be replaced by younger ones.

This matter requires serious reflection and I appeal to the Minister to address it, even at this stage, because change has been made in respect of other budgetary provisions. The principle has been conceded that the budget is not written in stone. It would be more courageous, patriotic and visionary to change the provision and say a farmer must have a viable income and that a young farmer is worthy of some support for his initiative on starting up. Older

[Senator Joe O'Reilly.]

farmers who have fought the good fight, tilled the land, put up with the vagaries of weather and the associated hardship, who have been very patriotic rocks of society who have not cost too much in terms of security — there are not too many Garda calls to farms — and who have represented a cost to the State only in terms of what they did positively should be applauded, supported and given the pension. I ask the Minister of State to reflect on the matter, change the budget and seek the savings elsewhere.

No sane, rational person is suggesting we should not trim the economic sails. We should have done it long ago. The fundamental difficulty is that we have not been doing so for eight years. It is a question of how one should trim the sails. Does one do so such that there will be nobody left to pay tax?

Senator Denis O'Donovan: I welcome this debate. I spoke earlier on rural Ireland and the fishing industry. I welcome the Minister of State, Deputy Sargent, who has strong links with Drimoleague in west Cork, where I believe he joined the Green Party. I would have encouraged him to join another party but he slipped through the net.

The allocation committed by the Department of Agriculture and Food in 2000 amounted to €147 million and this was increased significantly to €257 million this year. Over the course of eight years, the allocation for the rural environment protection scheme increased from €205 million to €331 million, and it is to rise to €355 million next year. We must acknowledge the expenditure on agriculture, amounting to €14.5 billion, which sum has increased significantly over the past year, and the EU funding of €1.4 billion. I am disappointed we are no longer the popular green giants we were in the European Union and am concerned that our decision in the Lisbon treaty referendum will affect the farming community adversely.

There have been many positive developments in farming in recent years. I am not here to be adversarial but I have a few issues to put to the Minister of State, the first of which concerns the suckler cow scheme. This was a wonderful scheme introduced during the lifetime of the last Government and €250 million has been ring-fenced for it. I am glad the first instalment of the €80 payment is to be paid in the next week or ten days. I am sure most farmers will welcome this. I ask the Minister of State to consider sincerely the possibility of putting a ceiling on the number of suckler cows required for eligibility, say 35. If it were 35, everybody with 35 suckler cows or fewer would be paid the €80 per head. Alternatively, as a member of a farming organisation put it, the total sum could be paid over four years. The majority of farmers, certainly those I represent in west Cork, would be quite happy if the number of cows in respect of which the payment was made was restricted, let us say to 35. Some might argue for 30 or 40. I ask the Minister of State to consider this seriously bearing in mind that there is wriggle room.

I was born on a mountainous farm on the Sheep's Head peninsula, a disadvantaged area. I was disappointed that there has been a reduction, from 45 to 34, in the number of hectares for which the disadvantaged area payment can be made. This affects the most disadvantaged, not only because of the type of land involved, much of which consists of rocks, stones, mountains, bogs and valleys, but also because the land in question is distant from the main centres of commerce, irrespective of whether one is in west Cork, Dingle or Connemara. If one must purchase goods, one is miles away from the centres of commerce. I often see people drawing lorryloads of straw from locations close to Cork city all the way to the Beara peninsula or Mizen. This has not been recognised. I am seriously concerned that, in making this move, the Minister is not saving a significant sum of money. I am concerned that the most disadvantaged members of the farming community are being hit. I would like the Minister of State to consider

this further. Although he said the effect is minimal, the stocking density requirement also affects the most severely disadvantaged.

The suspension of the early retirement scheme is regrettable. I understand that under the farm waste management scheme, the Minister introduced a supplementary budget amounting to €190 million. This broke the bank as far as he was concerned. I am concerned that approximately €650 million was spent in the three years of the farm waste management scheme. Did we achieve value for money? Did the Department or Minister underestimate the number of applications? The €190 million has dented his hopes.

I am concerned about the suspension of the early retirement and installation aid schemes. I appeal to the Minister of State to consider the case of those farmers who, over the past 15 months, prepared their leases and transfer documentation with their solicitors. In many cases these leases are stamped and registered. I called a solicitor today who represents a farmer in west Cork and he told me that, in one instance, the stamping of a deed took four months. Subsequently, the farmer had to submit his documents to the Property Registration Authority and faced a six or seven-month delay. In the meantime, the farmer had built his retirement home and had taken all the steps to retire. His son obtained all the necessary qualifications and had advisers in place, from Teagasc or another body, to submit the documentation, to Wexford I believe. It was at this stage that the scheme was pulled. This is a real case of *force majeure* and farmers in this position should be dealt with sympathetically.

Reference was made to the legal consequences of the abolition of the scheme. An old common law doctrine, that of part performance, concerns what should occur if one goes so far in good faith. It has been recognised by Lord Chancellors in the United Kingdom. We inherited the common law system. The young farmers taking over should receive their installation aid.

The IFA provided figures that show approximately 300 people are caught in the circumstances I describe but I believe the number is much lower. If the Department were to analyse the cases of those who have proceeded as far as I have described, it would realise they must be looked after. I have ten clients in difficulty and another ten who are due to retire next November and whose sons and daughters are doing agriculture courses. I would suggest to them, with all respect, to hold back. A case was mentioned to me that involves a farmer who has taken all the necessary steps with his solicitor and has transferred his farm to his son, who is married and living in an adjacent house. As it stands, the farmer, who is roughly 56 or 57, is in impossible circumstances in that his land is gone and he will be entitled to no pension when he reaches the age of 66. His son will receive no installation aid. Such cases should be considered very sympathetically. This is one of the strongest points I want to make in this debate.

I would like to speak for half an hour on another few issues but must respect the time constraints. I know the Opposition is present to do a job and is slating the Government and various aspects of the budget but I would like to praise Mr. Liam Aylward, MEP, on what he has achieved, especially for the sheep sector. We cannot forget this. In recent days he received an award in Paris and has been recognised by the French President, Mr. Nicolas Sarkozy. The farmers will benefit in the very near future and I hope that the sheep farmers concerned will reap the benefits of Liam Aylward's efforts in Europe. We have should have more people like Liam Aylward.

Senator Nicky McFadden: I welcome the Minister. I am delighted to hear Senator O'Donovan singing from the same hymn sheet and supporting our motion. It is not about politics but about supporting our constituents. With deference to Senator Boyle, that is what we are doing. Fine Gael certainly has come up with an alternative budget.

[Senator Nicky McFadden.]

Along with the rest of the population, farmers realise there is a global downturn and they are more prepared than anyone to play their part in getting the economy back on track. We know there must be painful choices but farmers bitterly resent the fact that, compared with other sectors, they have been targeted with such excessive cuts. The bones of our motion concern the cuts to the installation aid and early retirement schemes which will bring catastrophic effects on young and old farmers alike. As other Senators have remarked, over long periods farm families have phased and carefully planned their retirement and the handover whereby the young person comes in to take over the farm. It is morally wrong to close these schemes overnight. I am aware there are hundreds of farmers in the process of dealing with their solicitors. I do not like the threat of legal action but am aware that people are about to take legal action because of this measure.

In light of previous tax amnesties for developers and all the Fianna Fáil cohorts, the least we can do is provide an amnesty for these unfortunate people who were to get €15,000 each, be they the young person or the retiring person. It is incumbent on us to look after these people by providing €15,000 for the person who will retire between the ages of 55 and 65 and the installation aid grant for the young farmer who wishes to take over the farm. That was a good incentive for the young person to buy the necessary farm equipment or to pay the legal costs which could have been significant during the changeover.

Senator John Paul Phelan has pointed out that only 8% of our farmers are under the age of 35. That makes for a very lonely countryside. I raised this issue before with regard to the number of older farmers who are trying to run their farms on their own without the physical help of a young person to pull an animal or do the heavy work around the farm. It is frightening that such a small percentage of young people are involved in farming. It is cruel to remove the installation aid scheme, especially from well-educated young farmers who spent time going to college to bring themselves up to speed with new techniques.

I was shocked to read yesterday what the Minister for the Environment, Heritage and Local Government, Deputy John Gormley, said concerning greenhouse gas emissions and this nation's targets in that regard. He said we must reduce our emissions by 2020 but it is an absolute outrage that he expects the agricultural sector to cull the dairy herd to reach these targets. It is bad enough that farming was doing so badly before the budget as a result of the global and economic downturn. We then had a dreadful budget and now, to add insult to injury, the Minister comes up with this notion that we must cull the nation's dairy herd in order that we reach our quota of greenhouse gas emissions.

Perhaps the Minister for Agriculture, Fisheries and Food, Deputy Brendan Smith, might talk to the Green Party and encourage the Minister, Deputy Gormley, not to come out with such extraordinary statements. Such talk is most harmful to an already disabled sector. I would describe farming in that way because it is suffering enough. I have had many representations from farmers who are suffering. We all know that the price of milk is the lowest it has been in 20 years owing to competition. Farmers will lose thousands this year. What do we do then? We impose all these extraordinary cuts that affect them.

I am surprised that the 1% levy is based on gross rather than net income. Farmers who would have invested in farm machinery such as a tractor might have expected to be able to write off the depreciation of that tractor or invest in their pension. The levy would then have been imposed on their net income. This imposition is not the case for other sectors and it is cruel and mean to penalise the farmers in this way. As Senator O'Reilly said, they must pay

inflation costs, the increases in VAT, medical expenses, fuel, etc. The Government then imposes this levy on them on top of the other cuts.

Up to now €80 per suckler cow was available to qualifying farmers but next year that amount will be €40. I have serious concerns about the quality of our beef industry. We already saw the suffering and heartache farmers endured with the importation of Brazilian beef. I believe this decrease will affect the quality of our beef. As a person who likes to cook beautiful red meat, I do not like the idea that I am not assured of its quality. This is something we must seriously consider.

Another cut was made in respect of dead animals. It will now cost €70 to remove a dead animal from a field where it used to cost €35, or €30 for a small calf. Farmers are affected at every turn. I ask the Minister of State to reverse immediately these dreadful budgetary cuts.

Senator Brian Ó Domhnaill: I was listening to some of the debate on farming and agriculture, a very important industry in Ireland, especially in rural Ireland among farm families. I come from a very small farm in a rural part of County Donegal. My father was a sheep farmer and I know all too well the importance of farming to rural Ireland. I know, in particular, the significant benefits that have derived to farm families from the increased investment by this Government and the previous one.

This year obviously has been a very difficult year economically, not only in Ireland but globally. As a result, each Department, including the Department of Agriculture, Fisheries and Food, has had to take a close look at the money available to its Minister. The Minister, Deputy Smith, has not wavered in his commitment to allow farm families deliver on the capital investment programme by means of the farm waste management scheme. Every farmer will welcome that initiative because, ultimately, farming is about the land and about protecting animals. To do both those things a farmer must have the necessary facilities to hand. That is why the Government is committed to providing €615 million to the farm waste management scheme. I welcome the commitment given to that scheme and the fact that, despite the current budgetary climate, there will be no reduction of payments in the scheme.

Concerning the Estimates published on 14 October, some people suggest that agriculture took a disproportionate cut. That is not the case. The figure of €195 million included in the Supplementary Estimate for the farm waste management scheme marks an increase in investment in the scheme.

The Department's budget for 2009 is 2.56% less than in 2008. This decline is comparable to reductions across other Departments made in response to the current economic climate. The Department's budget for 2009 compares favourably with the budgets of other Departments. The reduction arises primarily on the capital side and current spending on the rural environment protection scheme, disadvantaged area payments, suckler welfare scheme payments, etc. will continue. As the Minister of State outlined, the overall budget available to the Department next year will be €3.2 billion.

I come from a disadvantaged area. While the Minister reduced total expenditure on area-based compensation or disadvantaged area payments by 14%, in doing so he reduced the maximum hectare limit on which payments are made from 45 hectares to 34 hectares and introduced a small increase in the stocking density. This decision ensures the majority of the 102,000 participants in the scheme will not experience a reduction in their payments. Without wishing to take undue issue with the IFA figures, it indicated that 40,000 farmers would be affected by this budgetary measure when the precise figure is 35,000. Given that the average size of holdings is 31 hectares, the average participant in the scheme will not be affected. This

[Senator Brian Ó Domhnaill.]

includes many farmers in my constituency, especially in its disadvantaged areas, where the average farm size is, perhaps, slightly less than 31 hectares.

The Minister indicated that the decision to reduce disadvantaged area payments was taken reluctantly. When faced with difficult choices, he decided to prioritise expenditure on schemes such as REPS. Would the Opposition prefer to have a reduction in REPS rather than disadvantaged area payments?

Senator Jerry Buttimer: Senator Ó Domhnaill should look at the whole package in the budget.

Acting Chairman (Senator Paul Coghlan): Order, please. Senator Ó Domhnaill asked a rhetorical question.

Senator Brian Ó Domhnaill: The Fine Gael Party proposed cutting expenditure by €4 billion. Did it propose to withdraw medical cards from everyone? Would no new schools have been built next year?

Senator Paudie Coffey: The Government attacked the old, the young and rural Ireland.

Senator Brian Ó Domhnaill: Fine Gael Party Senators should not speak out of both sides of their mouths.

Senator Jerry Buttimer: The Government may tax bulls yet.

Senator Brian Ó Domhnaill: They must agree that the Minister examined this issue in a proactive manner.

Senator Jerry Buttimer: It is a pity there are not a few bulls on the Government side.

Acting Chairman: Allow Senator Ó Domhnaill to continue without interruption, please.

Senator Brian Ó Domhnaill: It is easy to cry foul when one is not in office. From where exactly will the spending cuts of €4 billion advocated by Fine Gael come? Would they affect young children, hospital beds, farmers in west Donegal or west Cork or housing schemes?

Senator Paudie Coffey: The Government did all of that.

Senator Brian Ó Domhnaill: We have to be realistic.

Senator Paul Bradford: The Senator should speak to the motion.

Senator Brian Ó Domhnaill: I am trying to do so but Opposition Senators are interrupting me. Senator Carty, the first Senator on the Government side to speak, referred to 1995, the year I did my leaving certificate and also the year a Fine Gael Minister for Agriculture refused 12,000 farmers who were——

Senator Paudie Coffey: The Government had good times since then but splurged and blew the boom.

Senator Paul Bradford: We should ask the farmers whether they would prefer Ivan Yates or Brendan Smith.

Senator Jerry Buttimer: Senator Ó Domhnaill obviously failed agricultural science.

Senator Brian Ó Domhnaill: I have obviously touched a nerve.

Acting Chairman: Allow the Senator Ó Domhnaill to conclude as he has only 30 seconds left.

Senator Brian Ó Domhnaill: While I apologise for touching a nerve, reality sometimes forces us to think of important issues, including farming. We should reflect on the past if we are to look to the future. As Senator O'Donovan indicated, substantial funding has been made available to agriculture since 2002. In 1995, when this funding was not available, schemes were cut and many applicants, including young people, suffered. Let us consider the motion in context. Members of the public are aware of what took place in 1995. Let us appreciate the position in which we find ourselves. The budget supports many of the schemes next year. While the Minister is willing to consider specific elements, I welcome the progress made in agriculture in recent years.

Senator Paudie Coffey: I welcome this debate. Agriculture is an indigenous industry of essential economic importance to the future, as it has been in the past. Despite what Senators on the Government side may believe, the Opposition is not being political but reflecting the views and concerns of the farming community. Ireland has more than 131,300 farm holdings and according to 2006 figures, primary agriculture employed 109,100 people, while the agrifood sector employed 163,200 people. These sectors make a vast contribution to the economy and must be proactively supported in every possible way by the Government to deliver economic investment in the country.

We all agree that serious economic challenges lie ahead. The budget attacked farming. I remind Senator Ó Domhnaill who referred to events in 1995 that for the past ten years, Ireland has enjoyed an unprecedented economic boom. A major budget deficit has arisen in the past 12 months and the Government has cut funding for sectors across the economy. It has attacked the old and young and is now attacking the farming sector.

I acknowledge that the Green Party Minister of State, Deputy Sargent, has a genuine interest in the food sector, vegetables such as Brussels sprouts, allotments and greener organic food products. While his interest is commendable, the wider commercial farming sector urgently needs the Government's assistance. Government policies and the funding available to implement them will determine how sustainable the farming sector will be in future. If we cannot incentivise farming and encourage young farmers by giving them a belief they can sustain viable livelihoods for themselves and their families, what is the point? Farming must remain sustainable. We must create a demand for food production.

The challenge facing the Government is to create incentives for farmers. What incentives did it introduce in the budget? It disintentioned young people from entering agriculture. In recent years, young farmers have been forced to subsidise their incomes by working in other sectors such as construction. These opportunities have vanished and income from jobs in the building sector is no longer available for young people who also helped their parents on the farm. This calls into question the viability of such farms, whether in the dairy industry, tillage, beef or sheep farming. This has made the budget cuts in agriculture especially savage, especially when one considers the introduction of a 1% levy on gross income.

The installation aid and early retirement schemes provided significant incentives to young people to become involved in the running of their families' farms. As Senators are aware, credit has dried up. If these schemes were still available, young farmers engaged in the farming

[Senator Paudie Coffey.]

practice for which they are qualified would have €30,000 at their disposal. This benefit has been swept from under their feet and they must face the problem of securing credit to support their farming work.

Senators referred to the reduction in the suckler cow welfare scheme. This welcome scheme has been undermined and the budgetary measure removes another incentive for young people to enter sustainable farming. Senator Ó Domhnaill referred to the disadvantaged areas scheme. Of 100,000 farmers eligible under the scheme, almost 40,000 will lose almost €1,500 per annum. This is real life where real money is going down the tubes. The loss of so many layers of income to family farms affects their viability and sustainability. We are either real about how we support this indigenous industry or we are not. Senators Boyle and Ó Domhnaill mentioned previously that the cuts in farming were essential owing to the current economic climate. I would argue that had we not splurged and blown the boom as we did, we would have had a great deal more money with which to sustain the schemes for helping young farmers.

The question Fine Gael policies and proposals. Be assured that if Fine Gael were in power, we would not impose these cuts affecting the early entry into farming of young farmers. In our alternative budgetary announcements we talked about recovery through reform. We proposed a pay freeze on public sector workers earning €50,000 a year and over. We understand that this is neither a popular nor palliative proposal. However, it is a reality proposal that we believe would help sustain areas right across the board.

For example, if that proposal were adopted by the Department of Agriculture, Fisheries and Food, it would save €12 million alone that could be reinvested in farming. Some €37 million has been set aside in 2009 for research and training. It is welcome, but that is on top of a Teagasc budget of €122 million. Has the Government looked at Teagasc and that area of the public sector to see whether it is delivering in an efficient and proactive manner without adding expenditure to those areas? We should be investing at the farm gate and on farm lands rather than in the public sector.

I want to mention the elephant in the room, to which some Senators have referred, namely, a 20% reduction in emissions by 2020. That will have serious implications for the future of Irish agriculture and there is no point in denying it. The Minister of State said that we have a future in the beef and dairy sectors. If we take the climate change targets seriously, however, it is a fact of life that the future of the national herd will be called into question if there are to be reductions in what is already being emitted. We all know how dependent we are on the national herd and on the dairy and beef industries. If we have to comply with these targets, there will be problems because the projections are that the national herd should actually increase. That is a niche area of which Ireland and agriculture in general can take advantage, namely, the production of beef on our home soil and exporting that to other markets. If that future viability is called into question by climate change targets, then we are just transferring dairy and beef production across the world and, as some Senators have said, increasing the carbon footprint.

This is a clarion call to politicians on all sides as well as to the farming organisations to the effect that if we do not get to grips with this conundrum and square the circle, the future of farming will be in serious trouble. This is the biggest issue that needs to be addressed. I certainly hope the Department is negotiating as best it can in Europe and other places to try to ensure Irish agriculture and its future as far as the national herd is concerned is protected. I ask the Minister of State to give this matter his special focus and attention because it has serious implications for the future of agriculture in Ireland.

Senator Diarmuid Wilson: I welcome the Minister of State, Deputy Sargent, to the House. I apologise again for the absence of my colleague, the Minister for Agriculture, Fisheries and Food, Deputy Brendan Smith, who is in America on important Government business. He, like all other Ministers, had to make difficult decisions because of the budgetary constraints. However, he has prioritised a number of schemes, notably the suckler welfare scheme and the rural environment protection scheme. Regarding the former, the Minister has asked me to assure the House that the commitment entered into in partnership with the Government and the farm organisations to provide €250 million over five years is being honoured in full. This is a new stream of farm income and the first year's payment of €77 million to approximately 54,000 farmers will be paid over the next few months. While the rate of payment will have to be reduced for the remainder of the scheme given the exceptional levels of participation, the €250 million has been protected and will be paid in full.

The Minister has also provided record funding of €355 million for REPS in 2009. This ensures that those joining REPS 4 as either new entrants or transferees from REPS 2 and REPS 3 will benefit from a 17% increase on the level of payments under REPS 4.

Having prioritised certain schemes, reductions have to be made in others and, very reluctantly, the Minister reduced expenditure under the disadvantaged area payments scheme for 2009. Of the 102,000 participants in the scheme, the reduced expenditure will affect only those with more than 34 hectares or 82 acres. It is estimated that approximately 65,000 farmers will experience no reduction in their payments and given that the average holding is 31 hectares, the average participant in the scheme will not be affected at all. Significantly, the Department will still pay €220 million to more than 100,000 farmers in 2009.

The young farmers' installation aid scheme and the early retirement package have been suspended, not terminated, and it is important to make that point. In 2009, as the Minister of State outlined, €3.2 billion will be spent by the Department of Agriculture, Fisheries and Food in support of the agricultural industry. By any standard this is a substantial commitment by the Government and the EU to the Irish agrifood sector for the coming year. The Government is funding the most ambitious and generous on-farm investment scheme in the history of the State, through which €615 million of taxpayers' money will have been paid for the farm waste management scheme between 2007 and 2009. There have been calls to extend the scheme and Members of the Oireachtas on all sides have been contacted in this regard by various interest groups, including farmers, builders, etc. However, the Minister reluctantly cannot extend the scheme, he told me, because he does not have the money to do so. It is important to put that on the record of the House.

The Minister has also assured me that disadvantaged area payments, installation aid and early retirement schemes will be reviewed at a very early date. I want it on the record of the House that I met representatives of the county executive of the Irish Farmers Association in Cavan. They put their case very calmly and coolly to me and I have made representations to the Minister in that regard. I want to state also that a public meeting for five counties was held in Cootehill, County Cavan, some weeks ago, at which I could not attend at such short notice and I sent my apologies. I regret that those apologies were not conveyed to the public meeting and I want to put it on the record of the House that I am disappointed with that fact.

I thank the Minister of State for coming to the House and outlining in great detail the situation regarding agriculture. I thank my colleagues in Fine Gael for tabling this very important motion.

Senator Liam Twomey: Mine is a brief contribution. I expected more from the Government representatives. They might have given the House some idea as to how they see agriculture going forward under the present Administration. There was a great deal of attacking in respect of what Fine Gael might or might not do. Matters have changed in agriculture. Many alterations that would have come about over the years were postponed because many young farmers were involved in the construction industry. Now that industry has evaporated in rural areas, those jobs have disappeared and there is no alternative for many younger farmers. It means there will be enormous change within agriculture in the next four to five years. The Government representatives, when they presented the wider picture of what will happen over the next four or five years, should have been talking about this and not just taking cheap shots.

As for the small issues that were discussed during this debate, for example, early retirement pensions, these might have been small from our viewpoint but certainly not for those involved. It is fatuous for Government representatives to say this area is cast in stone and that we should forget about it. When the Finance Bill was discussed in this House last February, we changed legislation so a Government Deputy who was a former Minister could draw his pension. The pension was substantially more than the pension for early retirement for farmers. The annual pension for the farmers we are discussing is still less than one month's pay for most Government Ministers. These are small sums of money in the grand scheme of things, and to penalise farmers like that shows a mean-spiritedness on the part of the Government in making simplistic savings in the budget. It is similar to what we are doing in schools and with the medical card for those over 70.

The Minister of State should look again at these small things and the dramatic effects they have on individuals and present us with a bigger picture of what he sees happening to agriculture in the future. Some of the cuts, which I cannot go into in detail in the time available to me, are not cancellations or postponements and will have a dramatic effect on agriculture and the broader economy in rural Ireland if we do not do something about them.

Senator Jerry Buttimer: It has become the norm for Government Members to call on people to play their part in accepting budgetary measures. I found some of the remarks of the Minister of State extraordinary. I listened to Senator Boyle and I have never seen a party become so assimilated into Fianna Fáil like the Green Party has. It is appalling and they should be ashamed of themselves, especially regarding agriculture.

Let us look at the picture and be honest about it. Irish agriculture has faced great challenges in the past three decades, and every single farmer, and the farming unions, have lined up and negotiated, bargained, adapted and evolved. The area needs the Government to support and enhance its role and not decimate it. The 2009 budget, in the context of agriculture, has killed off rural Ireland and, more importantly, has told young farmers to stay off the land. That is the message. If the Minister of State talks to members of Macra na Feirme and young farmers — my own relations and brother-law — they will tell him this Government more than any other Government has made it difficult to farm.

If those on the Government side want a debate on Fine Gael in Government, we can line up former Deputies Mark Clinton and Ivan Yates, and Deputies Mary Coughlan and Brendan Smith, and I will tell them how the voting will go. We do not need the “X-Factor” for it because Fine Gael's agriculture policy has always been pro-farmer. We have been tough but fair with farmers, unlike the Government. I will defend our Ministers every step of the way because they have always been proactive on farming.

Has the Government a plan for agriculture? Where is its vision or strategic plan? They do not exist. This is a series of cutbacks which took place before the budget and that have been cobbled together. We are sending the wrong message to those in agriculture. What were the early retirement and installation aid schemes about? They were about telling farmers there could be change and progression, but now we have none. As Senator Coffey said, it is an indigenous industry which is important to Ireland, but under Fianna Fáil over the past 11 years there has been a flight from the land. There has been movement, and increasing numbers of people have had to take a second income to sustain their employment on the land.

Is the Minister of State serious about agriculture? If he is, why has the Minister for Agriculture, Fisheries and Food, Deputy Brendan Smith, been abandoned at the Cabinet table and left on his own? If he is telling me that the other members of Cabinet support these cuts in agriculture, then they have no interest in farming and rural Ireland.

Yesterday we had a debate in this House on the rural development programme. Of that money, 55% came from Europe. Let us be realistic about farming in this country and have a debate about what is best for rural life. This budget does nothing but quench the candle of Irish agriculture.

Senator Paul Bradford: I thank my colleagues for their contributions and I welcome Senator O'Toole's strong words of support. I hope the contributions from the members of Fine Gael demonstrate our long-standing, clear and unequivocal support for the bedrock of society that is agriculture.

I welcome that the Minister of State has stayed for two hours to listen to the debate. I recognise that in the overall scheme of things he is a Minister of State in the Department and as I said at the outset of my contribution, it was a Fianna Fáil Minister, not a Green Party Minister, who imposed this budget on agriculture. The blame rests not with the Minister of State but with the Minister for Agriculture, Fisheries and Food, Deputy Brendan Smith, and his ministerial colleagues.

Senator David Norris: What about Cabinet responsibility?

Senator Paul Bradford: The Cabinet is dominated by Fianna Fáil and this is a Fianna Fáil budget. There is a new mantra in the lexicon of politics over recent months: "international factors". Every problem is now blamed on international factors. It trips easily and merrily from the tongues of Cabinet members who took all of the credit for the Celtic tiger. Everything good stemmed from Fianna Fáil, and everything bad is a result of international factors. I ask my Fianna Fáil colleagues to drop that mantra because no one believes it any longer. They were in charge, they took all the budgetary decisions over the past ten years to prop up a false property market, they built an economy on false foundations, increased borrowing, massively increased the public sector to a level that is now out of control, and left this country in the financial mess in which it finds itself. I recognise from the Minister of State's comments that he is acutely aware of the grave financial crisis we are in, but the blame, sadly but firmly, lies with decisions taken over the past seven or eight years.

On the motion before the House, the Minister of State's colleagues on the Government side went down all manner of culs-de-sac. I refer to the three issues before the House for immediate consideration: the installation aid scheme, the retirement scheme and the disadvantaged areas scheme. The Minister of State knows as well as I do that if agriculture is to thrive and survive, we need to get young people into farming from a management perspective. That is why we have invested so much in training and development over the past 20 or 30 years. With one

[Senator Paul Bradford.]

stroke of a budgetary pen last month all the good work was undone and there is now doubt rather than certainty and fear instead of hope.

I did not refer to the partnership process earlier. For many months farming organisations, along with the social partners, tried, through the different pillars of the partnership process, to chart the way forward out of the current economic difficulties. It is grossly unfair that at the end of the partnership process, to which the farming organisations to the best of my knowledge fully signed up, the budgetary measures made a mockery of the word “partnership”. They represented nothing that partnership should be about.

I appreciate that budgetary matters are confidential and are announced on the day of the budget but these types of measure pull the rug from under a future generation of farmers and breach the understanding of the word “partnership”. If there is one small degree of consolation

7 o'clock to be taken from the Minister of State’s contribution, it is that he said the suspension of the installation aid and early retirement schemes is temporary. We can look at all manner of definitions of temporary, but the crux of the matter and the reason it is so urgent, as the Minister of State and I know, is that under the rules of the scheme, people who were eligible to be successful applicants a few months ago may not be if the scheme is reintroduced in six, 12 or 18 months’ time. I appreciate it is not the Minister of State who will make the decision, but I urge him to ensure that if the provision is to be only temporary and the scheme is to be reintroduced, it will be done in a retrospective fashion in order that people eligible for the scheme today will be still eligible in 12 months’ time.

Fine Gael’s aspiration is for the schemes to be reintroduced immediately. I am, however, a realist who knows the Government has the majority to push through whatever it wishes. If the schemes are to be brought back, they must be brought back with a retrospective provision in order that people who have invested thousands of euro will not see their money go down the tubes.

I thank my colleagues for supporting this motion, which reflects the strong support of the Fine Gael Party for Irish agriculture. We realise that society needs a rural Ireland and that our rural economy needs farming families. These types of measures are part of the range of supports, much of which come from Europe, that we need to maintain if Irish agriculture is to thrive and prosper in the years ahead.

Amendment put.

The Seanad divided: Tá, 26; Níl, 19.

Tá

Boyle, Dan.
Brady, Martin.
Butler, Larry.
Callely, Ivor.
Carty, John.
Cassidy, Donie.
Corrigan, Maria.
Daly, Mark.
de Búrca, Déirdre.
Ellis, John.
Feeney, Geraldine.
Glynn, Camillus.
Hanafin, John.
Keaveney, Cecilia.

Leyden, Terry.
MacSharry, Marc.
McDonald, Lisa.
Ó Domhnaill, Brian.
Ó Murchú, Labhrás.
O’Donovan, Denis.
O’Malley, Fiona.
O’Sullivan, Ned.
Ormonde, Ann.
Walsh, Jim.
White, Mary M.
Wilson, Diarmuid.

Níl

Bacik, Ivana.
 Bradford, Paul.
 Buttimer, Jerry.
 Coffey, Paudie.
 Coghlan, Paul.
 Cummins, Maurice.
 Donohoe, Paschal.
 Fitzgerald, Frances.
 Hannigan, Dominic.
 McFadden, Nicky.

Mullen, Rónán.
 Norris, David.
 O'Reilly, Joe.
 O'Toole, Joe.
 Phelan, John Paul.
 Prendergast, Phil.
 Regan, Eugene.
 Ross, Shane.
 Twomey, Liam.

Tellers: Tá, Senators Déirdre de Búrca and Diarmuid Wilson; Níl, Senators Paul Bradford and Maurice Cummins.

Amendment declared carried.

Question put: "That the motion, as amended, be agreed to".

The Seanad divided: Tá, 25; Níl, 19.

Tá

Boyle, Dan.
 Brady, Martin.
 Butler, Larry.
 Callely, Ivor.
 Carty, John.
 Cassidy, Donie.
 Corrigan, Maria.
 Daly, Mark.
 de Búrca, Déirdre.
 Ellis, John.
 Glynn, Camillus.
 Hanafin, John.
 Keaveney, Cecilia.

Leyden, Terry.
 MacSharry, Marc.
 McDonald, Lisa.
 Ó Domhnaill, Brian.
 Ó Murchú, Labhrás.
 O'Donovan, Denis.
 O'Malley, Fiona.
 O'Sullivan, Ned.
 Ormonde, Ann.
 Walsh, Jim.
 White, Mary M.
 Wilson, Diarmuid.

Níl

Bacik, Ivana.
 Bradford, Paul.
 Buttimer, Jerry.
 Coffey, Paudie.
 Coghlan, Paul.
 Cummins, Maurice.
 Donohoe, Paschal.
 Fitzgerald, Frances.
 Hannigan, Dominic.
 McFadden, Nicky.

Mullen, Rónán.
 Norris, David.
 O'Reilly, Joe.
 O'Toole, Joe.
 Phelan, John Paul.
 Prendergast, Phil.
 Regan, Eugene.
 Ross, Shane.
 Twomey, Liam.

Tellers: Tá, Senators Déirdre de Búrca and Diarmuid Wilson; Níl, Senators Paul Bradford and Maurice Cummins.

Question declared carried.

An Cathaoirleach: When is it proposed to sit again?

Senator Donie Cassidy: Ag 10.30 maidin amárach.

Adjournment Matters.

Dental Services.

Senator Shane Ross: I wish to raise the need for the Minister for Health and Children to address the issue of the Competition Act 2002 in relation to Irish dental practitioners. The Minister of State will undoubtedly be aware of this problem. I have spoken to many dentists who are extremely concerned about the possible collapse of the State's dentistry scheme for medical card holders. The case seems to be getting more and more acute. Even today the Irish Dental Association has issued a statement indicating there is a danger that this scheme will collapse. Dentists throughout the country are fed up with the way it operates.

It is sometimes difficult to make a case for professional people, particularly when the defence is the Competition Authority and the Competition Act. Professional people who practise an art like dentistry cannot be expected to operate at a loss. They certainly cannot be expected to operate a system which it is patently obvious is not working. The real problem here is the refusal of the HSE to engage in conversations with the dentists. This is typical of the HSE and has resonances of its battle with the pharmacists when it was almost impossible to get the HSE to even negotiate prices with dentists, pharmacists and so on.

The first and single most important demand I make to the Minister of State is that the Department of Health and Children and the HSE should engage in discussion with the Irish Dental Association before this becomes a crisis. The Minister of State will know there is a dispute about the figures, namely, about how many dentists have withdrawn from this scheme. It is certainly conceded by the Department and by the Minister for Health and Children that at least 200 have already withdrawn from it. If 200 out of 1,400 dentists have withdrawn, that is approximately 15%, and many others are threatening to withdraw from it.

One of the extraordinary aspects of this scheme is that, although the Department of Health and Children states that the numbers joining it are beginning to make up for the numbers leaving it, the Department refuses to reveal the figures. I do not believe the figures being issued by the Department of Health and Children or by the HSE. The HSE is again bullying a group of professionals, there is a bit of eye-balling going on, and the opinion of the Attorney General has been sought.

One of the odd aspects of this battle between the Irish Dental Association and the Department is that they both got legal opinions which suit them. One can always get a legal opinion which suits one. That is one of the problems here. The legal opinion, whether it is that of the Attorney General or anybody else, is not worth much because somebody else could get another legal opinion which would counter that and then one would be back to square one. I gather there is a call for and an expectation that the new Attorney General — the last legal opinion came from the previous Attorney General — will deliver a new opinion on the matter. I do not know whether it will be the same as the current one, but a new and fresh look will be taken of the Act. There is a clause in section 4(5) of the Competition Act, which allowed the IMO to opt out of an opinion which stated it was anti-competitive to discuss issues of price with professionals, and as a result negotiations were entered into in that case. I do not understand — the Minister of State might be able to enlighten me on this — why this letter cannot be also applied to the dentists.

The first concern must be the patient. I know that the sort of iniquitous propaganda which can arise when one puts forward a case for people who are earning money from the medical

schemes — they have to earn a living — is that they are exploiting the schemes, and they can do. Regardless of the propaganda, it is important that the patients are paramount in regard to this cost, not the State nor the bullies in the HSE. It is also fair that dentists should make some sort of a living out of the medical scheme, not vast sums, but they should not be expected at any stage to operate at a loss. We should not ask them to do that.

I ask the Minister of State to respond to the points I made. I also ask him, in passing, to comment on the fact that dentists are unhappy, as are patients, with the budget provision under which some allowances for tax relief for orthodontic and other treatments were reduced by 50%. That may or may not be correct and it may not be fair, but it appears that dentists and their patients are suffering. Patients are not getting their teeth repaired, cleaned or treated in the way they should because of the lack of such tax relief. The other downside of this measure is that dental tourism is increasing. That is not something we want to see happen.

I ask the Minister of State to reply to this matter and to bear in mind one aspect, namely, the effect on patients. Patients are suffering and the Irish Dental Association and Irish dentists are being ignored, or the Government and the HSE are refusing to talk to them. Why have the talks not started and can we have an assurance they will start immediately?

Minister of State at the Department of Transport (Deputy Noel Ahern): I am taking this Adjournment matter on behalf of the Minister for Health and Children, Deputy Harney.

As the Senator will know, and it is important to point out, responsibility for the Competition Act rests with the Tánaiste and Minister for Enterprise, Trade and Employment. That Department is currently engaged in a review of the Competition Act and has been having consultations with various interested parties in that regard.

In so far as the Department of Health and Children is concerned, the question of the Competition Act as it applies to dentists arose, as the Senator said, in the context of a review of the dental treatment services scheme or the DTSS. The DTSS provides for a range of dental services for adult medical card holders from participating dentists holding contracts with the Health Service Executive.

During the course of the review, based on legal advice made available to the HSE, an issue arose in regard to the negotiation of fees with the Irish Dental Association. Section 4 of the Competition Act 2002 prohibits and makes void all agreements between undertakings, decisions by associations of undertakings and concerted practices which have as their object or effect the prevention, restriction or distortion of competition in trade in any goods or services in the State or in any part of the State.

This reflects the provisions of EC Treaty Article 81, which contains a similar prohibition in regard to agreements, decisions and concerted practices which may affect trade between member states. The HSE was advised that the coming together of the DTSS contractors under the auspices of the IDA to negotiate fees would constitute a breach of the Act. IDA was advised of the legal situation and in January 2007 discussions on the fee aspects of the review were put on hold.

In general there is nothing to prevent the State, as a purchaser of services, from consulting representatives of professional organisations on the fees for those services. The key requirement in all cases is that the State must have the final say in setting the price it will pay for the services concerned. As the Senator said, a similar issue has arisen regarding the role of the Irish Medical Organisation in negotiating fees for general practitioners involved in the GMS and other medical schemes. Having considered the matter, the Government is satisfied that the

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scope of the engagement by general practitioners in the delivery of primary health care for the overall efficacy of the public health system makes a more direct form of engagement with the representatives of general practitioners both necessary and desirable in order to protect public health. Accordingly, it is the intention to pursue appropriate amendments to section 4 of the Competition Act to enable the IMO to represent its members in negotiations with the HSE and the Department of Health and Children in respect of the services provided to the public health service. The legal provision to be made will be subject to and consistent with EU competition rules.

This initiative has arisen regarding the IMO. The Minister for Health and Children has not concluded that there is a case for adopting a similar approach to other professional representative bodies, including the Irish Dental Association. Any such case would need to be examined in light of the objective of ensuring a high level of public health protection and associated public interest considerations and the scope to adopt such an approach in a manner consistent with EU competition law. The Minister for Health and Children has agreed to meet the Irish Dental Association next week and this matter will be on the agenda. I hope that at that meeting some progress can be made on this issue and some of the other items the Senator mentioned. If the Minister is coming face to face with the association I hope some progress will be made at that level.

Senator Shane Ross: Will the Minister of State give me an assurance that the Minister for Health and Children will enter that meeting, to which he referred, next week with an open mind on allowing dentists the same facility and adopting a similar approach to the Competition Act as was given to the IMO?

Deputy Noel Ahern: I cannot give the Senator that assurance. From the reply——

Senator Shane Ross: I am only looking for an open mind. Is the Minister of State saying the Minister for Health and Children has a closed mind?

Deputy Noel Ahern: Judging from the reply it seems that as of now she has a particular——

Senator Shane Ross: Closed mind.

Deputy Noel Ahern: She has a particular view. However, views can be changed if a good case is made by the other side. However, the ball is in the Irish Dental Association's court. As I said, the Minister has not concluded that there is a case for adopting a similar approach to other professional representative bodies, including the Irish Dental Association. Any such case would need to be examined in light of the objective of ensuring a high level of public health protection. Maybe it is an invitation, letting it know that the ball is in its court, so to speak.

Senator Shane Ross: To be persuaded.

Deputy Noel Ahern: Maybe it is an invitation for the Irish Dental Association to make its case strongly. I understand the logic of the Senator's question. It has an opportunity to put its case face to face next week. However, it would need to put its case strongly and well. I would not say she has a closed mind, but she has formed a particular view up to now and she will need to be persuaded if she is to change her view.

Senator Shane Ross: No doubt the Minister of State will convey to the Minister of State the persuasiveness of my argument.

Road Network.

Senator Ned O’Sullivan: I thank you, a Chathaoirligh, for taking this motion on the Adjournment and I thank the Minister of State for coming to the House to respond. I will not go through the entire saga of Ballinagar Bridge. It is located in north Kerry between the parishes of Ballyduff and Lixnaw. It is particularly important transport infrastructure over the River Brick which effectively divides the two parishes I mentioned. It divides communities and individual farms.

The original bridge dates back to the days of British rule. Up to approximately 13 years ago there was a bridge under the charge of the Office of Public Works, which was inadequate especially given the machinery used in modern farming. It eventually came to the stage where Kerry County Council had no option but to close it down on safety grounds as it was about to collapse. As a temporary measure — given that this happened 13 years ago the word “temporary” is flexible in this case — an old disused Army pontoon bridge, the type of thing that was used in the Second World War, was put in. That was meant to last for a few years until a new bridge was provided. However, 13 years later the pontoon bridge was still serving and we did not kick up too much of a fuss about it.

The Minister of State might remember that approximately 18 months ago our area made national headlines when a man went astray with a load of pigs. He took the wrong road and crossed Ballinagar Bridge, which collapsed. A large number of pigs drowned on that occasion. It was tragic for the pigs and it is even more tragic for the community because here we are 16 months later without the bridge. To bring in the harvest this autumn, farmers were forced to travel 14 miles out of their way when they could have crossed directly if the bridge had been there. It is also very important to the local villagers in Ballyduff and Lixnaw because there is considerable turbarry there and much turf is cut, for which people must take 14-mile round trips.

Following the most recent collapse, it was indicated that the Government would find money for a replacement. Kerry County Council was informed that it would be supported in providing a new bridge. As recently as last week I was briefed by Kerry county manager that it appears there is no funding for it at present. I hope the Minister of State has come here with some good news for north Kerry.

Deputy Noel Ahern: I thank the Senator for raising the matter of the bridge at Ballinagar, Lixnaw, County Kerry, and for giving me some history which I did not know. I recall the accident he mentioned. I would like first to make a number of general points about the resourcing of regional and local roads. Responsibility for the provision and improvement of regional and local roads, including bridges, in its area is a matter for Kerry County Council to be funded from its own resources supplemented by State grants.

There have been significant increases in recent years in the level of funding provided for local authorities for the provision, improvement and maintenance of regional and local roads. State funding in 2008 for such roads, at almost €619 million, is at its highest ever level and is a clear indication of the Government’s continuing commitment to improving regional and local roads around the country, which is critical from economic and social perspectives.

In the case of Kerry County Council, the total grant allocation from my Department in 2008 is €24.033 million. This is a significant level of funding and I am satisfied that it provides appropriately for the council’s requirements this year. The road grants to Kerry County Council this year have been allocated under a number of grant categories. These include the specific improvement grant scheme under which grants totalling €4.4 million were allocated to a number of projects. One of the projects in receipt of grant aid this year is Ballinagar Bridge,

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which was allocated a grant of €100,000. Progress with the project is now a matter for Kerry County Council.

As regards 2009, the Senator may be aware that my Department recently invited applications from local authorities for funding under the regional and local roads specific improvement grant scheme. The proposals submitted by Kerry County Council for grant aid in 2009 included an application for further grant aid for the bridge at Ballinagar. All applications received for funding under the scheme are being considered by my Department, having regard to compliance with eligibility criteria, the need to prioritise projects, competing demands from other local authorities and the funds available for the scheme next year. The 2009 regional and local road grant allocations to local authorities will be announced early in the new year.

Senator Ned O'Sullivan: I am glad to acknowledge what the Minister of State has said on the very generous funding which Kerry County Council and all other councils have received from Government in recent years. The Minister of State will be aware that there is a worry about the current straitened finances owing from the economy in Ireland and worldwide. I anticipate the allocations for local and regional roads in 2009 will be well back on 2008, and this project may again be a loser.

I ask the Minister of State to relay to the Department the concerns of a large number of people in a very important peripheral community in the country who depend on this bridge. I thank the Minister of State for his courtesy.

The Seanad adjourned at 7.50 p.m. until 10.30 a.m. on Thursday, 13 November 2008.