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**Wednesday,
20 May 2009**

DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

SEANAD ÉIREANN

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

Wednesday, 20 May 2009.

[illegible]

SEANAD ÉIREANN

Dé Céadaoin, 20 Bealtaine 2009.
Wednesday, 20 May 2009.

Chuaigh an Cathaoirleach i gceannas ar 10.30 a.m.

Paidir.
Prayer.

Business of Seanad.

An Cathaoirleach: I have received notice from Senator Pearse Doherty that on the Adjournment of the House today, he proposes to raise the following matter:

The need for the Minister for Health and Children to clarify the position in relation to the reduction and withdrawal of home help services in County Donegal.

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

The need for the Minister for Health and Children to outline the current position concerning the three new community based homes in Mullingar for the residents of St. Peter's Centre in Castlepollard, County Westmeath.

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

The need for the Minister for Health and Children to give an update on the independent review of the national audit on organ retentions in Irish hospitals; if the report has been completed; if the HSE or the Department of Health and Children have received the final report; and when the full and final report will be published officially.

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, motion re European Commission proposals on Schengen evaluation mechanisms; No. 2, statements on the organic food industry; No. 3, Companies (Amendment) Bill 2009 — Order for Committee Stage and Committee Stage; and No. 31, Private Members' motion No. 31 re overseas aid. It is proposed that No. 1, motion re adoption and application of a proposal relating to the Schengen *aquis*, be referred to committee without debate at the conclusion of the Order of Business; and No. 2, Statements on the Organic Food Industry be taken at the conclusion of No. 1 and to conclude not later than 1.30 p.m. The contributions of spokespersons is not exceed ten minutes and all those of all other Senators not to exceed seven minutes. Senators may share time by agreement of the House. The Minister shall be called upon ten minutes from the conclusion of the debate for concluding comments and to take questions from leaders or spokespersons. The business of the House shall be interrupted between 1.30 p.m and 3 p.m. No. 3, the Companies

[Senator Donie Cassidy.]

(Amendment) Bill 2009 — Committee Stage shall be taken at 3 p.m. and shall adjourn not later than 5 p.m. if not previously concluded. Private Members' motion No. 31 re overseas aid shall be taken at the conclusion of No. 3 and shall conclude not later than 7 p.m.

Senator Frances Fitzgerald: Has the Leader received a commitment from Government that legislation will be introduced in the House on a more frequent basis than has been the case to date this term?

The report of the Commission to Inquire into Child Abuse, which has been sitting for ten years, will be available this afternoon. The commission examined the abuse suffered by hundreds of children in institutions throughout the country run over a long period mostly by religious orders. The interim report about the experiences of these children is painful to read. No doubt later today and tomorrow, by which time we will have seen the detail of the ten years of work of the commission, the country will be horrified.

Before we see the report I wish to put on record that abuse of children continues in present day Ireland. I refer to the report issued within the past week from the Mental Health Commission. It states that more than 247 children in the country who needed mental health care and treatment were admitted to adult wards in adult institutions in the past year, an increase from 2007. It is an appalling outrage that in 2009 there are some 200 children needing the best that the country can offer in terms of care and treatment, but are being admitted into adult mental health facilities. Not long ago I was given a commitment in a committee that this would not continue. I was told by members of the HSE and Ministers that this would change. The House and the Dáil were told this would change. However, the report of the Mental Health Commission outlines that 247 of the most vulnerable children in need of care, protection and mental health treatment were treated in adult wards. What commission will be inquiring into this in ten years time? Today will be the report of the commission which has examined abuse up to the 1990s. However this is also abuse of children, some 247 of which are receiving such care. This is the best we can do. Who will be accountable for this? What Minister will come before the House and explain why this is the situation?

Senator Paul Coughlan: Hear, hear.

Senator Frances Fitzgerald: Yesterday, we heard from Senator Healy Eames about a young autistic boy in Galway who needs to be cared for in a special class because of a mild disability. He can be cared for nowhere else except in a special class. Such classes are being withdrawn all over the country. These children are not getting the care they need.

There are hundreds of children at risk of being abused whose cases have been referred to the HSE. However, the files are lying on shelves unopened because there is no social worker allocated to look after these cases. The Monageer report was published this week with recommendations blacked out but they cannot be acted on if they are not made public and discussed in the Houses. On a morning when we hear of a further €40 million that has been wasted, what Minister is responsible and will come before the House to take responsibility for these failures to protect our children?

There have been four Fianna Fáil Ministers of State with responsibility for children, namely, Deputies Mary Hanafin, Brian Lenihan, Brendan Smith and Barry Andrews. What were they doing in their brief if they could not take action to ensure this did not continue? Will the Leader ensure a Minister comes before the House to answer these questions?

Senator Joe O'Toole: I support some of the comments of my colleague, Senator Fitzgerald, on the abuse of children. I remind the Leader of his commitment two weeks ago to hold a

discussion whenever necessary on the matter of child abuse in Monageer. Another report will be published today. The Government made a despicable and disgraceful decision this morning to withdraw support for the Middletown Centre for Autism.

Senator David Norris: Hear, hear.

Senator Joe O'Toole: It was to have been a state-of-the-art centre, a manifestation of the good of the North-South Ministerial bodies and a concrete expression of the Good Friday Agreement. It has been subjected to much political abuse. Ken Magennis in the North has tried to bury it time and again. This House has been quick to criticise unionist interests in the North which oppose North-South and all-island initiatives, but this is an example in which our Government is pulling back. The centre is based in County Armagh and run as much by southern people as by northern people. The director is Mr. Laurence Crowley and several other directors are from the South. The centre has dealt with children from as far south as Waterford. It has organised training and development for NEPS, the national educational and psychology service, in the South. It is doing extraordinary work.

Recently, I had the privilege of leading a North-South parliamentary delegation associated with Co-operation Ireland to the centre. Staff at the centre were full of confidence, moving ahead and dealing with the issues. The Government had a choice whether to put an extra lane on the road from Monaghan to Derry or to examine the option of supporting autistic children in Middletown, County Armagh. It took the easy option and buried the kids once more. That is exactly the point made by Senator Fitzgerald. Why is it every time the Government takes such decisions it is the children, without votes, expression and articulation, who suffer? It is appalling and I appeal to the Leader to allow a debate tomorrow on the broad range of issues dealing with the child abuse report to be published today, the decision of the Government on the Middletown Centre for Autism and the matter of the children who are being dealt with unfairly, incorrectly and against the spirit of the Constitution as stated by the Mental Health Commission.

I propose an amendment to the Order of Business and I will continue to do so every day until there is a debate on NAMA. I do not know if people are listening to what the world is saying. What are we doing about this issue? What is the position of those on the Government side when they are asked questions about NAMA and merely reply that it is a good idea without explaining it? There is something desperately wrong about this. Of what are people afraid? Why does the Minister not come before the House to say what he is thinking and ask what we think about it? Why does someone from the Department not come before the House and explain how to move this matter forward? I seek a debate and I move an amendment to the Order of Business which I will press to a vote unless the Leader can give some commitment that there will be a debate today with a representative of the Government to explain the proposals on NAMA.

Senator Phil Prendergast: I rise to speak about our children. I concur with the comments of Senator O'Toole in respect of the Centre for Autism. According to the Stormont Minister Caitríona Ruane, MLA, the cross-Border centre was to offer research and information, educational assessment, learning support and training and an advisory service to those suffering from autism. There were extensive debates held here last year in respect of autism and the matter was debated in both Houses. I am in contact with people whose children are affected by this awful condition which has a wide spectrum and they are no nearer solace from their suffering.

I refer to those suffering from epilepsy who must wait between 18 and 24 months to see a neurologist. I am aware that some efforts have been made, including the employment of

[Senator Phil Prendergast.]

additional neurologists. However, a waiting period of 18 to 24 months is outside the remit of anyone. There are 37,000 people greater than five years of age suffering from this condition which has a myriad of causes. I call on the Minister to make a statement on the ward closures at Crumlin hospital. I did not get a comprehensive response on the issue last week and am still receiving requests from parents of children waiting for life-saving elective surgery. What is to happen to those children? The hospital is still accepting referrals for emergency surgery from hospitals around the country, as has always been the practice, but what solace is there for those awaiting elective surgery?

Cystic fibrosis sufferers north of the Border have a ten-year better outcome prognosis than cystic fibrosis sufferers south of the Border. We need a serious debate on the issues affecting our children. I could go on about psychology services, but Senator Frances Fitzgerald covered that issue very well this morning. I have received many representations from parents whose children are awaiting a psychological assessment but insufficient staff are available to carry out these assessments. Psychologists on maternity leave are not being replaced. We are failing our children every day of the week and that will lead to a long-term bad outcome.

Senator Ned O'Sullivan: The Leader and colleagues are aware of the Go Safe programme which concerns the setting up and monitoring of speed cameras nationally. This programme was to have been in operation by now, but that is not the case. I understand that responsibility for the programme lies between the Departments of Transport and Justice, Equality and Law Reform. As a result of the changed economic situation, the Department of Finance is probably casting its beady eye over the value for money aspect of it. This is a very important health and safety issue and that must transcend other considerations.

The contract for the project was awarded to a well-known Kerry company, Spectra Laboratories, and it is in a position to create 60 new jobs. It is champing at the bit to get the programme going, but it is frustrated. It has taken on some staff and has incurred significant costs. I ask the Leader to liaise with the Ministers for Transport and Justice, Equality and Law Reform and with the Taoiseach, who has taken an interest in the issue, to see if matters can be expedited. It would be a short-sighted decision to defer or postpone the installation of the programme. That would go down very badly with the public. I ask for the Leader's assistance on this matter.

Senator Jerry Buttimer: I seek a debate on the reconfiguration of HSE services. This morning's *Irish Examiner* reported that Cork University Hospital would be the sole acute care centre for the region. I am concerned by the consistent and persistent downgrading of medical services in Cork city. Is there political interference in the HSE? Are members of the Government interfering in the running of the HSE? A report that was leaked to the *Irish Examiner* refers to the HSE plans to downgrade the Mercy hospital in Cork, the Victoria South Infirmary and Bantry and Mallow general hospitals and to have one acute hospital in Cork. Why is that the case? Why does the Minister not publish the report? Is she afraid of the embarrassment in the local elections? Why do the people of Cork not have a say on the planning of the services?

We have all seen the report on co-location. Does the Government intend to continue with the co-location policy on health services? The report should be published because the people of Cork deserve an answer as to why there is a downgrading of services in the main hospitals in the city and why we will only have only one acute hospital in the city. It is about time the Government, particularly the Minister responsible, stopped hiding behind the HSE and officials. The Minister should answer questions in this House on the matter. We deserve acute centres of excellence in Cork city north and south. It is not good enough that services are being downgraded.

Senator Terry Leyden: I ask the Leader to arrange for an early debate, before 5 June, on the issue of accountable and effective local government. A very important document issued yesterday which refers to the freezing of business rates for three years and the halving of levies on buildings for two years, provided people are wise enough to vote for Fianna Fáil so that it has a majority on councils. I hope this proposal will be extended throughout the country. It is a good idea to halve for two years levies for those who proceed with building. This will provide an incentive to builders who have received planning permission to proceed with projects. It would be worthwhile to have a debate on that issue. We should also discuss the freezing of rates for businesses for three years. This is a great incentive and we should debate the matter before 5 June to ensure we get the returns to which we are entitled in the elections.

Senator Jerry Buttimer: Fianna Fáil will get the returns it deserves all right; there is no need to worry about that.

Senator Terry Leyden: People will benefit when all the levies are halved following this innovative proposal. There is provision for an extension of planning permission of one and a half to two years where work has been started within the five years. This proposal is a call for action and I encourage builders, developers and one-off house builders to proceed on the basis of this offer from the Government, which I hope will be extended to all counties, whether councils are controlled by Fianna Fáil after 5 June.

Senator David Norris: I second Senator O'Toole's amendment. I support the call by Senators Fitzgerald and O'Toole for a debate on the report on child abuse, particularly in light of motion No. 9 on the Order Paper which refers to the extraordinary exemption of the churches from the operations of the equality legislation. The churches are now placed above the law with regard to equality, which gives them the right to dismiss teachers. This is, in effect, a question of bullying. In 80% of cases of homophobic bullying nothing is done because the teachers are afraid. This is unacceptable. It is obscene that the group that in four successive reports has had its reputation impugned in this area continues to be allowed this opportunity for discrimination.

We know there is no real equality in this country. It is very sinister that today our predictions have come true with regard to the Equality Authority. The new chief executive is, as we suspected, a senior member of the Department of Justice, Equality and Law Reform. The authority will have no independence and no credibility. I call for a debate on the issue, as proposed in motion No. 21 on the Order Paper.

I wish to refer to the law on blasphemy, an issue that has been raised several times in the House. Today, a senior member of the Organisation for Security and Co-operation in Europe, OSCE, Mr. Miklos Haraszti, said that in creating this offence of blasphemy, Ireland is taking a regrettable, backward step, which negates the progress it had made. Nothing was done for ten years and we were quite happy to turn a blind eye to it. That is what we should continue to do. Perhaps the Constitution needs to be revised to deal with this issue.

One of my colleagues raised examples of some absurd instances as justification for an offence of blasphemy. It was suggested somebody might take the host, the most sacred element of Christian worship, and destroy it in public or that somebody might stand outside a synagogue and abuse the Jewish community by saying "Up the holocaust". These are extraordinary, bizarre and ridiculous acts that would, presumably, be committed by somebody who was unbalanced. If not, the law already exists under which the issue can be addressed. These are breaches of public order. This is conduct likely to cause a breach of the peace. We do not need the blasphemy law. It will only be used to restrict freedom of speech and it must be resisted.

Senator Labhrás Ó Murchú: In recent times, improvement works were carried out on the Pearse Museum in St. Enda's, Rathfarnham. The OPW is to be commended on the work it has done there and on the fine work it has done on many other historical buildings throughout the country. Prior to the improvement works a list of some of those who played an active role in the War of Independence was on display in the museum, but I understand the list will not be replaced. This has upset many family members who were proud of their loved ones who had made sacrifices and contributed to the independence of this country. There may be a perception abroad that there is an element of revisionism or of being overly politically correct in this decision. I hope that is not the case and I sincerely ask the OPW to ensure the list that was there prior to the improvement works is replaced.

Senator Eugene Regan: I understand the motion re European Commission proposals on Schengen evaluation mechanisms is to be taken without debate this morning. Will the Leader arrange a full debate on the Schengen Agreement, perhaps when this evaluation has been carried out? Given that the common travel area between Ireland and the United Kingdom is the subject of major revision at present, it is important for us to reflect on this country's position on the agreement and on the EU free travel area. That would be an important debate.

The Government has announced that the construction of a prison at Thornton Hall is to be abandoned, in effect. When the Seanad debated this matter last year, we were told that it was full steam ahead. When the process of inviting tenders and selecting a preferred bidder has been completed, I do not understand how the selected bidder can suggest that the cost of a project should be allowed to increase by 30%. The Government's handling of matters of this nature — its failure to see projects through — is characterised by a certain incompetence. Costs tend to escalate after the procedure for selecting bidders has been completed and tenders have been announced. The Government is wonderful at announcing projects, but it is hopeless when it comes to implementing them. It seems that this project will go the way of the decentralisation programme, the PPARS computer system project and the electronic voting system. Perhaps the National Asset Management Agency, NAMA, will ultimately be abandoned too. It is disappointing that we are great at making announcements, but not at implementing our plans.

11 o'clock
Last month, the Minister for Justice, Equality and Law Reform gave the Dáil detailed figures setting out the extent of the overcrowding in our prison system. We know from the reports of bodies such as the prisons inspectorate that violence is rife in our prisons. Continued criminal activity within prisons is rampant. Illegal drugs are widely available. Almost a quarter of prisoners are under protective custody. It now seems the Government intends to abandon a prison-building project that was intended to resolve many of these issues. It is an example of incompetence of the highest order. We must have a prisons policy. Will the Leader arrange for the Minister, Deputy Dermot Ahern, to come to the House to outline where we will go from here in light of the Government's abandonment of this project at a cost of €40 million to date.

Senator Marc MacSharry: I welcome the fact that 400 prison places are to be provided at Portlaoise, Castlerea and Wheatfield prisons. They will come on stream shortly, following negotiations with the Prison Officers Association. I also welcome the prudent decision to renegotiate, to the maximum extent possible, the costs that will be involved in building the new prison at Thornton Hall. It is prudent to adjust one's outlook and one's plans in line with one's changed circumstances.

I support the call for a debate on NAMA as soon as possible. I am conscious that it is a work in progress. The process of implementing the decision to establish NAMA will be highly technical and highly detailed. As I said yesterday, anyone who has ideas in this regard should

bring them forward. The Order of Business in this House gives Senators an opportunity to do so. The door of the Minister for Finance is open. We should have a debate in due course.

I repeat what I said yesterday about NAMA. Many countries, including Germany, are mimicking the Irish process of pooling and centrally managing debts that are deemed to be bad or toxic. Government paper, which will be redeemable from the European Investment Bank, will be used to pay those debts. In my view, that represents the way forward for the entire European Union. Germany is doing it in a similar way. I do not think anyone doubts that we received a resounding vote of confidence yesterday when the National Treasury Management Agency's bond issue was over-subscribed. The international markets are giving their wholehearted approval to the Government's decision to introduce the right policies to get Ireland out of the difficult mess it is in. We are not alone in being in a mess. At a time when Ireland is attracting improved sentiment, the opposite is the case in other big economies, such as Japan. It is clear that the policies we have started to introduce are beginning to produce the tender green shoots that show we are moving in the right direction towards recovery.

I call once more for a debate on the issue of procurement, which was touched on in a different way by Senator Regan when he spoke about tendering processes. When Government contracts that are worth more than a certain amount of money are being awarded, it is obvious that they have to be advertised in the *EU Journal*. We need to focus on supporting employment in this jurisdiction, as opposed to other jurisdictions, within the confines of EU rules and directives. I have noted today's media reports on the answer that was given to a question asked by Deputy Varadkar in the other House. It seems that many of the Garda uniforms that will be supplied in this country over the next few years will be manufactured abroad. I accept that they will be provided through the Irish agent that was given the contract to provide them. Many products of this nature are being manufactured in non-EU countries. In these more difficult times, we should be allowed to prioritise employment within the EU, at least, if not within the Twenty-six Counties of this jurisdiction.

Senator Alex White: I strongly agree with what Senator Norris said about the proposed amendment to the Defamation Bill 2006 in relation to blasphemy. The House should take careful note of what has been said by a representative of the Organisation for Security and Co-operation in Europe. His comments, which are reported in today's newspapers, were referred to by Senator Norris. I ask this House and the Minister for Justice, Equality and Law Reform to consider a proposal I would like to make. According to the Minister, Deputy Dermot Ahern, he needs to resolve a constitutional dilemma in this area by means of legislation or by means of a constitutional amendment. I am a member of the All-Party Committee on the Constitution which recently recommended that the relevant section of the Constitution should be deleted.

Senator David Norris: Hear, hear.

Senator Alex White: Senator Regan is also a member of the all-party committee, which clearly recommended that this provision should be removed from the Constitution. That view is clearly shared across the board in these Houses. That is the correct way to proceed.

My suggestion to the Minister, through the Leader, is that if the parties in the Oireachtas agree that a series of amendments to the Constitution should be put to the people at an appropriate time, perhaps, although not necessarily, in October of this year, a referendum on the question of blasphemy should be put on that list of matters to be determined by the people on referendum day. It would be proper to remove the provision in question from the Constitution. If the Minister's comments are to be taken in good faith, it appears he believes he must do one thing or the other. He seems to be concerned about the possibility of addressing this issue by means of a constitutional amendment. We do not need to have a referendum on this issue

[Senator Alex White.]

tomorrow or the day after. It does not even need to take place this year, although it should not be put on the long finger.

In fairness, this matter has been on the table for ten years. We have lived with other interpretations of the Constitution. We have not rushed to introduce legislation to cater for the outcome of the X case, for example, although I believe we should have done so. In such circumstances, I propose that the Leader should try to secure all-party agreement to ask the Minister to address the matter of blasphemy by means of constitutional amendment at an appropriate time in the future. We should not have to deal with the legislative distraction the Minister is considering.

Visit of Kenyan Delegation.

An Cathaoirleach: Before I call the next speaker, I am sure the Members of the House will wish to join me in welcoming a delegation from the Kenyan Parliamentary Service Commission, led by the Hon. Walter Nyambati, MP, who is the Vice Chairman of the commission. On my own behalf, and on behalf of my colleagues in Seanad Éireann, I extend a very warm welcome to the delegation and offer my sincere good wishes for a very successful visit.

Order of Business (Resumed).

Senator Mary M. White: I have raised the matter of the competitiveness of Irish industry on numerous occasions in this House. Many Irish businesses are unable to compete abroad. It is scandalous that some Departments are not paying their bills on time. In many cases, invoices have to be reissued, which puts further pressure on companies that need cashflow. If a company does not have cashflow, which is the life blood of a company, it will go out of business. I have discussed this matter with the Taoiseach and tabled a motion at a meeting of the Fianna Fáil parliamentary party. I am pleased to inform my colleagues that the Cabinet decided yesterday that all Departments will now be compelled to pay their bills within 15 days. That is good news.

Senator Dominic Hannigan: Hear, hear,

Senator Nicky McFadden: Well done.

Senator Mary M. White: Go raibh maith agaibh. However, I am afraid that I need to raise a further national scandal, namely, the attitude of the Health Service Executive to the treatment of children with psychiatric problems in adult hospitals. We have almost to become revolutionaries to change this diabolical behaviour. I am embarrassed by the HSE's treatment of young children. It is as if they do not exist or do not matter. Children suffer psychiatric problems and are suicidal but all we do is put them into adult psychiatric hospitals. The Minister for Health and Children must come to the House to tell us not that it is a matter of putting an extra 12 beds here or there but what the HSE is going to do and how it will prioritise the psychiatric assessment and treatment of children.

I spoke a week ago about Archbishop Martin's warning that we would hear about a scandal in the Roman Catholic Church that is nothing less than paedophilia. Paedophiles are monsters and must be dealt with. What are we going to do about them? The Protestant churches dealt with this issue a long time ago and we are only catching up. I will not be here tomorrow so I would prefer, if the Leader does not mind, that we postpone to next Tuesday the debate on this topic scheduled for tomorrow. I have an urgent appointment tomorrow.

We also need to discuss the treatment of autistic children. My sister is the principal of a school in Ballinteer which has an autistic unit. She and the parents are at pains every day to try to accommodate the children with autism who have no place to go. For God's sake let us

get our act together. The Minister for Health and Children, Deputy Harney, herself needs to come to the House. I have tremendous personal regard for her intellect and intelligence. She is the lead Minister in the Department of Health and Children and we need her in the House to spell out to Members how we can address the issue of psychiatric services for children.

Senator Ivor Callely: Hear, hear.

Senator Nicky McFadden: It is heartwarming to hear Senators Mary White and Fitzgerald speak to defend the most vulnerable in our society. This is a cross-party matter because we all believe that children and young people have a fundamental human right to be protected. Yesterday we had a good strong debate about the relevance of this House but let us ask for political and ministerial accountability in respect of mental health services for children. The Constitution states that we will cherish children so why are there 247 children in adult hospitals which are archaic, antiquated Victorian buildings where paint is peeling and there is mould on the walls? They are there with severely incapacitated, elderly, acute psychiatric patients. This is morally wrong. We have the fifth highest rate of suicide in the 15-25 age group in Europe. Our very poor service for young people is probably a contributory factor to this statistic.

The Minister of State at the Department of Health and Children, Deputy Moloney, is doing a tour of these antiquated buildings, some of which he proposes to sell. Will the Leader invite him to the House to tell Members how he will ring-fence the money from the sale of these buildings to care for these 247 children and put them into a suitable caring environment in which they can recover?

Senator Frances Fitzgerald: That is right. Will the Government guarantee the money?

Senator Nicky McFadden: One person in four of our population suffers mental illness. It is just the same as any other illness and it is incumbent on us to prioritise it and look after these people. The matter I have raised on the Adjournment debate and which the Cathaoirleach has allowed is on the same topic, the most vulnerable in our society.

Senator Denis O'Donovan: As a member of the All-Party Committee on the Constitution I have mixed feelings on the blasphemy issue. The Minister is unfortunately in a dilemma. He can either ignore it and leave the 1961 Act as it stands, seek a constitutional referendum which could be divisive and difficult, or legislate for it. I have sympathy for him. The issue was highlighted in *Corway v. Independent Newspapers* in 1999 in which the Supreme Court unanimously said that the Oireachtas should legislate for this issue. I believe we should let sleeping dogs lie but the Minister is in a difficult situation whichever way he turns. We will have a chance to debate it in this House. Senators unfortunately cannot participate in this afternoon's discussion at the Committee on Justice, Equality, Defence and Women's Rights because it is a select committee. Perhaps more light will emanate from the committee this evening or it will agree with the direction in which the Minister is moving.

The forthcoming report on hospitals in Munster, to which my colleague, Senator Buttimer, referred, is predicated on outdated practices and ideas. I have criticised the HSE and the Minister for Health and Children in regard to Bantry hospital which is close to my heart. Professor Higgins, an obstetrician at Cork University Hospital, who has visited west Cork and has an outreach clinic at Bantry hospital, is conducting a report which he recently told me will be concluded in ten to 12 weeks. The situation in Bantry hospital cannot be allowed to continue. It is to be hoped Professor Higgins's report will be valuable because he seems to have a good insight and it is extremely important that we deal with that matter.

[Senator Denis O'Donovan.]

Until such time as we have a constitutional referendum making the rights of the child separate as opposed to being within the family, as it is in the Constitution currently, and upgrading those rights in a separate amendment, we can talk until the cows come home but the rights of the child will not be properly protected under Irish law or within the Constitution.

Senator Rónán Mullen: I strongly support the comments of Senator Fitzgerald and others about the ongoing abuse of children in our society. I would like to have a debate soon on the report of the Commission to Inquire into Child Abuse which will bring up some scarifying issues that will reflect badly on how decisions were made in our society and specifically on the failure of those in authority in residential institutions, and those acting on the part of the State, to check, prevent and punish wrongdoing.

I commend *in absentia* our colleague, Senator Joe O'Reilly, for a fine press release in which he talks of the dignity of the human person being central. It is worth quoting because it is not often one hears philosophical but highly relevant statements such as this expressed in party political press releases:

[W]e regard the human being as the subject, not the object, of history. This brings us to respect human life in all its forms and at all stages, to respect human dignity in medical and genetic advancements.

I hope that speaks for the entire Fine Gael Party, for Government and other parties in this House. That can shine a light on the important debate we need to have on the way we treated the most vulnerable in our society in residential institutions in the past and on how we deal with people at present.

It is interesting to reflect on what appears to be a regrettable move from supporting the cross-Border facility for children with autism, which interestingly is located in Middletown on a site where the St. Louis Sisters operated a residential centre for children who had suffered as a result of the Troubles. That is the kind of issue that brings out the nuance in all of this. There was great generosity and great neglect, sometimes *fite fuaite le chéile* in a very unacceptable way.

Let me raise the issue of the blasphemy amendment very briefly. It seems those who talk about it being a distraction are the ones causing the distraction. There are arguments for and against the proposal. We need to have a debate very soon on the appropriateness of international bodies putting their welly in, so to speak, on issues in respect of which we are best placed to decide the precise nuance we want in our laws. This is becoming a bit oppressive of our national sovereignty regarding important issues.

(Interruptions).

An Cathaoirleach: The Senator's time is up.

Senator Rónán Mullen: It is time we made decisions for ourselves in this country.

An Cathaoirleach: The Senator is way over time. I call Senator Callely.

Senator Ivor Callely: Last week I raised the issue of vulnerable people in society and it is with interest that I note the calls this morning for a debate in this regard. I will welcome a debate, whenever it can be accommodated, on the psychiatric services and vulnerable children and adults. In light of what Senator McFadden stated about Victorian dwellings and mould on walls, I congratulate and pay tribute to the staff who work in the services, who have done

trojan work in very challenging and difficult circumstances. I refer in particular to the work of the staff of St. Michael's House in my constituency. They have taken people from inappropriate care settings into beautiful residential community care settings, operating on a family basis with all the supports necessary to integrate patients into the community. Thus, they can use facilities such as the local swimming pool and community centres. In this case it is necessary to balance what has been incorrectly put on record.

I congratulate Senator MacSharry on bringing to our attention a matter that should be clearly put on record, that is, the success of the Minister for Finance and his team in the Department in helping to turn the tide in respect of our financial position. I congratulate one and all in that regard.

Will the Leader put on the agenda for debate the progress we have made in integrating public transport services, providing real-time information and addressing the issue of the subvention of CIE services?

Senator Dominic Hannigan: I join other Senators in expressing my disquiet about the announced binning of the proposal for a prison site at Thornton Hall. This raises questions about the whole evaluation system for our public private partnerships. It is not the first public private partnership to fall by the wayside. A bigger question concerns our prison policy. Irrespective of whether one liked the Thornton Hall site — I believed it was not the right site — it was central to the Government's prison policy and plans. Is there now a plan B? As we speak, prisoners in some prisons must double up in cells. In Mountjoy, there are prisoners sleeping in corridors. It is not clear that we have a way around this. What is the Minister's intention regarding prison policy now that the Thornton Hall proposal has been abandoned?

Senator Larry Butler: I raise the issue of energy, which I raised before. We all welcome the fact that the price of domestic energy has decreased somewhat, but no allowance is offered by energy suppliers to those in the commercial sector. The Leader spoke about this in the House regularly and raised it at meetings of the parliamentary party. In view of the fact that oil prices are increasing steadily, we must consider the alternative energy solutions available to us. The Spirit of Ireland group made a submission recently in this regard. I went to the trouble of inviting an all-party group to a presentation in the audiovisual room, to be held next Wednesday. This will be a great opportunity for the delegation to expand on what is a great idea. If taken on board, we can become energy independent over the next five to ten years. It is important that we play a major role in this regard. The meeting will present an opportunity to this House to make its mark in terms of putting Ireland on the map as an energy exporting country. I hope there will be full attendance at the presentation and that very good contributions will be made. The delegates are not asking for one penny from the State as their project can be funded from an alternative source of capital. This is a very important issue. It would lift us out of the depression in which we are at present to hear the proposal of a company that is prepared to do a job for the country.

Senator Paul Coghlan: I welcome the Government's decision to ensure all Departments make their approved payments within 15 days, as we have been advocating for some time. The Prompt Payment of Accounts Act is totally ignored and the average waiting period for payment by Departments is 69 days. In one Department, approved payments are outstanding for in excess of 90 days. This ties in with the need to have credit flowing again. If the suppliers affected cannot get their money into the banks, they will not be able to honour their other commitments. As stated, credit is the life-blood of our market economy. Its provision is suspended somewhat and we need to make it available again.

[Senator Paul Coghlan.]

How much of the €3.5 billion to be provided for Allied Irish Banks and Bank of Ireland by way of recapitalisation has been earmarked for small and medium-sized enterprises, mortgage holders and first-time house buyers? It is important that a proportion of that is directed towards them because we know there is no movement in this regard.

I support very strongly Senator O'Toole's call for a debate on NAMA. We urgently need to see a comprehensive blueprint that shows the agency will be capable of addressing the enormous difficulties we face. If that is not demonstrated to people we will not be able to reassure the public, which we need to do. I suggest to the Leader that if the Minister is not available, Dr. Bacon or Mr. McDonagh should be invited to the House. The Seanad could prove very useful by having one of these gentlemen before it to talk about the agency. I fear there is a turf war between the National Treasury Management Agency and the Department of Finance. If so, it is disgraceful. We must be able to demonstrate that we are dealing with and getting over our problems.

An Cathaoirleach: I welcome to the Visitors Gallery a former Member of this House and the Dáil, Mr. Martin J. O'Toole.

Senator Camillus Glynn: In one sense I welcome the report of the Commission to Inquire into Child Abuse and in another I regret that it was necessary to have to produce such a report. We must deal with the reality of the issue. I ask the Leader to devote at least one day, if not two days, to the report as soon as possible. I and many Senators on all sides of the House will have much to say on it.

With regard to services for children and adolescents, I largely agree with some of the comments that have been made. In my town, Mullingar, there is an outpatient service for children and adolescents. When it is necessary to admit an adolescent, he or she is admitted *pro tempore* to the main hospital pending the allocation of a bed in a suitable location. Children are admitted to the paediatric ward of the Midland Regional Hospital, Mullingar, until a suitable bed is found.

Since the publication of the document, The Psychiatric Services — Planning for the Future, by an official of the then Department of Health during the term of the Government led by Dr. Garret FitzGerald, and the subsequent publication of A Vision for Change, it is regrettable that under successive administrations the resources have not been given to the psychiatric services to ensure the devolution from hospital to community took place, although in the main it has been successful. In some cases, however, it left a lot to be desired.

Senator Nicky McFadden: How long has Fianna Fáil been in Government?

Senator Camillus Glynn: I ask the Senator not to make me remind her further of the failings of Fine Gael.

It is important to remember that significant strides have been made in psychiatry. In Mullingar we have one of the finest and most successful units for later-life psychiatry in the country. Having said that, we can refer people to the institutions we have. We must remember there are people who need ongoing care in psychiatric institutions, and if we close the ones we have we must replace them. They are not suitable for the purpose for which they were built, but now we need a change.

Senator Nicky McFadden: What about A Vision for Change? It is the Government's document.

Senator Camillus Glynn: I hope the Opposition will help.

Senator Paudie Coffey: I agree with all of what Senator Glynn said, but if the implementation of the document *A Vision for Change* was carried out to the fullest extent we would not have the problems he has outlined.

Yesterday I spoke about the distress of the many newly unemployed people who have joined the dole queues and the way they are being treated. Today I would like to sound a bit more positive. I ask the Leader to allow time for a debate on re-employment, by which I mean the retraining and skills improvement of the many thousands of people who have joined the dole queues over the last year or two. We saw the exciting initiative of the ESB whereby it is to employ 400 electrical apprentices who are mid-way through their apprenticeships. There are another 400 who will not be looked after in that regard. I call on the State agencies to step in and create employment for those apprentices. There are thousands of skilled construction workers — plasterers, blocklayers, carpenters and so on — who are unemployed and are in much distress as they have been used to working all their lives and now they cannot find work anywhere. I ask that State agencies such as FÁS and the VECs engage with the young apprentices and find new ways in which they can be employed.

There are thousands on the waiting lists for local authority housing but some houses are boarded up because the local authorities do not have the staff to refurbish these houses due to the recruitment embargo. Surely we can now start thinking outside the box and try to employ these young apprentices and construction workers to refurbish these houses. There are also deficits in community facilities. Classes are in prefabs in schools around the country. Now is the time to start thinking of new ways to create employment in all these areas in our communities. There are thousands of people who want to work. A debate in this House would be one good way to bring new ideas together to give these people new hope. As politicians we should lead the way in this regard. I ask the Leader to allow time for a debate on re-employment, with a specific focus on the thousands of construction workers who find themselves in the dole queues.

An Cathaoirleach: The time allotted to the Order of Business is up, but there are two Members, Senators Feeney and Quinn, who wish to speak, and I will take them if they are brief.

Senator Geraldine Feeney: I support Senator Rónán Mullen in his call for a debate on the impending report of the Commission to Inquire into Child Abuse from Mr. Justice Seán Ryan. I have never heard of such a thing as a most senior clergyman, in the form of His Excellency Diarmuid Martin, warning us of what a terrible, appalling report this will be. I ask the Leader to set some time aside next week to discuss this, while the issue is still burning and people are still exercised about it.

I also support my colleague Senator Mary White in her call for a debate on paediatric and youth psychiatric services. Somebody mentioned that the Minister of State at the Department of Health and Children, Deputy Moloney, is going around the psychiatric hospitals quietly and unannounced to investigate their facilities. The Minister of State and the Government are committed to implementing the blueprint in *A Vision for Change*. As late as yesterday morning I heard a leading European expert on RTE1 complimenting the Government on *A Vision for Change*. I look forward to that debate. I must point out that, as other Senators have said, the antiquated buildings are few and far between. We have moved on to a community model of psychiatric care for young and old.

Senator Feargal Quinn: Senator Coghlan mentioned that the Government yesterday pledged to pay all suppliers within 15 days. It is sometimes not known that successful businesses can

[Senator Feargal Quinn.]

fail not because they are not profitable but because they run short of cash. Therefore, this initiative is to be highly recommended. Anything the Government can do to ensure the cash-flow of businesses will enable them to survive. There are 6 million shops in Europe with 30 million people working in them. This is the sort of step that can protect jobs and get the economy going again.

Another thing I would love to see the Government do is to recognise the short time in which people are told they must pay value added tax. It must be paid by the 15th of the month. It would not cost the Government anything other than cashflow to stretch that to 60 days, for example. It would protect cashflow in these business and enable them to survive at little cost to the State.

Senators: Hear, hear.

Senator Donie Cassidy: I join with the Cathaoirleach in welcoming the former Senator Martin J. O'Toole to the Visitors' Gallery. I had the great pleasure of spending 12 years in an office with him and I learned much of what I know from the wisdom of his experience. It is lovely to see him here all the way from Louisburgh in County Mayo. I do not know whether there is a connection but perhaps the present Senator O'Toole also learned quite a bit from him during his early days in the Seanad.

Senator Joe O'Toole: It is in the bloodline.

Senator Donie Cassidy: I presume he is no relation.

Senator Paul Coghlan: The western connection.

Senator Donie Cassidy: With regard to the Private Members' motion, it has been pointed out to me by the Clerk that it will be taken from 5 p.m. to 7 p.m. with the permission of the House.

Senators Fitzgerald, O'Toole, Prendergast, Norris, Mary White, McFadden, O'Donovan, Mullen, Callely, Glynn and Feeney expressed their serious concerns about the forthcoming report of the Commission to Inquire into Child Abuse. As has been said in the House, we are talking about a fundamental human right. That is the challenge facing us as legislators. We must listen to the former chairman of the All-Party Committee on the Constitution and an excellent lawyer in his own right, Senator Denis O'Donovan, who advised the House there will be no progress until we have a constitutional referendum on the rights of the child. We must listen to colleagues who are experienced in this field. I assure the House I will have an all-day debate on this report. I will endeavour, after the publication of the report, to have a date for this debate by the Order of Business tomorrow.

I am also endeavouring to have an all-day debate on NAMA, as has been requested by Senator O'Toole. My preference would be for this to take place next Tuesday, but the Finance Bill is in the Dáil on Tuesday and Wednesday and in the Seanad on Thursday. These two all-day debates will take place even if it means sitting an extra day on a Friday. It is in the interest of everyone concerned that these challenges facing us as Members of the Oireachtas are dealt with in the present, when they are still urgent, and not after weeks have passed.

As Senator Callely said, we appreciate everybody who has worked in the health services, particularly in the care of children. There are many good people who have looked after children through the years, and we distance ourselves from the difficulties highlighted in the report to which I referred and the totally unacceptable practices that went on. I acknowledge the hard work and dedication of staff in St. Peter's Centre in Castlepollard and St. Mary's of South Hill,

who were members of the Midland Health Board, and appreciate what they have done for the unfortunate children who really needed the care and attention of these excellent hospitals.

Senators O'Toole and Prendergast mentioned the Middletown Centre for Autism in Armagh. The autism centre is unfortunately under pressure at present because of finance and the downturn in the global economy. This was a shining example of the working of the Good Friday Agreement and I hope something can be done to keep the centre going. It is of serious concern to Ministers meeting this morning. It will not be easy but, please God, in the long term this can be made possible.

Senators O'Toole and MacSharry asked about NAMA. It is a serious challenge but I was heartened when Senator Ross wholeheartedly congratulated the Minister for Finance for the work he is doing for us with our EU colleagues. The bond issue was fully subscribed, as Senator MacSharry pointed out. It is uplifting to know that in these challenging times, our Government and Ministers are world leaders in the global downturn and not afraid to meet the challenge. Our Minister and our policy——

Senator Jerry Buttimer: What policy does he have? Where was he for the past ten years?

Senator Donie Cassidy: ——are being followed by our EU colleagues and throughout the world.

Senator Jerry Buttimer: Fianna Fáil Ministers presided over the banking crisis. The Leader should give the facts.

Senator Donie Cassidy: I am uplifted by Senator Ross's compliments, because he has more experience than most of us in these areas to be able to express wholehearted opinion, as he did yesterday.

Senator Jerry Buttimer: Give the facts about the Minister's responsibility.

Senator Donie Cassidy: We speak too negatively when things are not successful but when things are good we should be open-minded and congratulate those making these achievements possible.

Senator Prendergast expressed her concerns for those unfortunate people who suffer from epilepsy. I fully agree with her sentiments and those of Senator Feeney about the hard work of the Minister of State, Deputy John Moloney, through A Vision for Change. We wish him well in that area. Senator Prendergast also highlighted her concerns and asked for the Minister for Health and Children to come into the House regarding the plight of those running Crumlin Hospital, particularly the proposed ward closures. I have given an undertaking to the House to have the Minister for Health and Children come here to discuss and debate this and I am waiting for a date in her diary to allow for this.

Senator O'Sullivan asked for an update from the Minister for Transport on the proposal for speed cameras. The company that has been successful in acquiring the contract will create 60 new jobs, which is more good news, particularly for his constituency of Kerry. I will make inquiries into this.

Senators Buttimer and O'Donovan expressed their serious concerns and called for a debate on the HSE and its proposals as they relate to Cork county and city, University Hospital Cork and Bantry Hospital. I have already asked the Minister to come here for the broad debate on HSE issues and the Minister has always been forthcoming in this area and has always taken questions at the end of her visits to the House. I look forward to that taking place at the earliest possible time.

[Senator Donie Cassidy.]

Senator Leyden reminded the House of Fianna Fáil's announcement in its manifesto that planning fees where work has not commenced will be reduced by 50% over the next two years. This is to be welcomed. Also, if Fianna Fáil is returned, the Senator outlined to the House, anywhere it controls councils, it will be party policy that there will be no increase in rates for three years. We welcome the Senator's information.

Senators Norris, Alex White and O'Donovan all raised the blasphemy issue. The Minister for Justice, Equality and Law Reform has been strongly advised by the Attorney General on this aspect of the 1961 Act. I heard the Minister on the radio this morning talking about this and we all know his intentions. I have no difficulty in asking him to come to the House when the legislation is ready. It is currently at an advanced stage.

Senator Ó Murchú asked about the Pearse Centre and the memory of those who gave their lives in the ultimate sacrifice — to give their lives for the cause of the freedom of our country which we have all enjoyed for the past 90 years or more. I certainly agree with his request that the Office of Public Works replaces the list that was there before the refurbishment works commenced. That is the least that can be done.

Senators Regan and Hannigan asked about Thornton Hall. We were all looking forward to progress taking place in this area.

Senator Joe O'Toole: Some of us are very happy about it.

Senator Donie Cassidy: We know about the massive overcrowding in Mountjoy Prison and the 400 new places in other prisons, as Senator MacSharry pointed out. We welcome that also. In the value for money area, the increase of 30% was because perhaps the specification had to be improved

Senator Eugene Regan: The Government should have got it right the first time.

Senator Nicky McFadden: Cronyism.

Senator Donie Cassidy: A 30% increase is substantial to say the least. The Government is looking for value for money; more for less is the motto. At the end of it all, there is no reason why this is not the opportune time to get better value for money and we will wait to see what progress takes place. I will ask the Minister for Justice, Equality and Law Reform to come to the House so colleagues can make statements and hear what the Minister has to say.

Senator MacSharry called for a debate on procurement and the awarding of contracts by the Government, and the need to ensure they are awarded to companies within the EU if at all possible because we must look after those who are looking after us in job creation. I fully agree and will set time aside to debate this.

Senator Callely called for a debate on public transport and Government policy on State funding going forward. I have no difficulty in having a debate on this matter in the near future.

Senator Mary White informed the House she had an important motion before the Fianna Fáil Parliamentary Party on cashflow and the Government playing its part.

Senator Jerry Buttimer: Whose cashflow?

Senator Donie Cassidy: It is the life blood of the economy. I congratulate Senator Mary White on her determination that the Government should pay its bills 15 days after they are due. That will be enormously helpful. Senator Quinn, the most successful person in this House by a mile, has outlined to the House the importance of extending VAT payments by 30 days.

I fully support his request and agree with him. I welcome the Taoiseach, who played a leading role in making this happen, committing to the Government paying bills within 15 days. It will be very helpful to everyone, particularly to those in small and medium-sized and family businesses who are so hard-pressed.

Senator Paul Coghlan: It will be helpful if the Government lives up to the commitment.

Senator Donie Cassidy: Senator Butler asked about energy costs, particularly those of ESB and Bord Gáis. They have not passed on the reduction to industry and those in the hotel or manufacturing sectors. This is regrettable because these areas employ huge numbers of people. Jobs are the priority we are told but where are ESB or Bord Gáis playing their part in sustaining jobs? I have no difficulty in having time left aside for this.

I support Senator Butler's comments regarding the Spirit of Ireland group which will visit here next Wednesday and present its innovation and creation which could make Ireland energy independent within a few years.

Senator Mullen made a request concerning international bodies. I agree with the strong views he expressed on those matters.

Senator Coffey called for a debate on re-employment. This is a very good suggestion and I have no difficulty in making time available for such a debate. I compliment the ESB on the training it has offered to 400 apprentices. The State agencies are examining everything they can do to play their part in assisting in the upskilling of all those apprentices who are unemployed. This would give those people the opportunity to retain and upskill and thereby have something to do each day that would assist them in their future lives.

An Cathaoirleach: Senator O'Toole has proposed an amendment to the Order of Business, "That a debate on the National Asset Management Agency be taken today." Is the amendment being pressed?

Senator Joe O'Toole: On the basis of the Leader's commitment to put this matter on the agenda for next week, I am prepared to take his word for that. I presume we will be told about it at the leaders' meeting next week.

Senator Donie Cassidy: Yes.

Order of Business agreed to.

European Council Regulations: Referral to Joint Committee.

Senator Donie Cassidy: I move:

That the proposal that Seanad Éireann approves the exercise by the State of the option, provided by Article 3 of the fourth Protocol set out in the Treaty of Amsterdam, to notify the President of the Council that it wishes to take part in the adoption and application of the following proposed measure:

a proposal for a Council Regulation on the establishment of an evaluation mechanism to verify the application of the Schengen *acquis*,

a copy of which proposed measure was laid before Seanad Éireann on 2 April 2009, be referred to the Joint Committee on Justice, Equality, Defence and Women's Rights in accordance with paragraph (1)(Seanad) of the Orders of Reference of that Committee,

[Senator Donie Cassidy.]

which, not later than 10 June 2009, shall send a message to the Seanad in the manner prescribed in Standing Order 72, and Standing Order 74(2) shall accordingly apply.

Question put and agreed to.

Organic Food Industry: Statements.

An Cathaoirleach: The Minister of State, Deputy Sargent, is welcome to the House. I invite him to speak on this matter.

Minister of State at the Department of Agriculture, Fisheries and Food (Deputy Trevor Sargent): Gabhaim buíochas as an deis caint ar an ábhar seo agus do na Seanadóirí a léirigh suim san ábhar. I thank the Cathaoirleach for this opportunity to speak to the Seanad on the issue of the organic food industry. I must start by reiterating my personal commitment and that of the Government to developing the organic sector in Ireland. In the programme for Government, agreed when this Government was set up, we set a target of converting a minimum of 5% of acreage to organic farmland by 2012. This is an ambitious target, bearing in mind that less than 1% of acreage was devoted to it when we came into Government, but by no means an impossible one.

Organic food production and processing is one of the few areas showing steady growth both here at home and in the countries to which we already send most of our conventional produce. It is obvious that Ireland is almost uniquely suitable for organic farming. We are a food producing island. Most of our farming is already extensive, unlike some of the continental European countries or the USA with their heavily industrialised food production sectors. We also have our famous clean, green image abroad.

One might wonder why we have made so little use of these advantages up to now. Times have changed, however. The chemicals and pesticides used in intensive farming have become more and more expensive and at the same time their use has been restricted throughout the EU. The non-farming European public has become concerned at the impact of intensive farming on biodiversity and the environment in general. At the same time farmers' incomes have once more come under pressure from cheap imports and the relentless pressure from the retail multiples to accept less for their produce.

Thankfully, however, farmers are good at adapting — they have to be. As intensive conventional farming becomes less profitable, and with relentless competition from cheap imports at prices that no Irish farmer could match, the time has come for farmers to look for alternative ways to make their enterprises pay. One obvious answer — not the only one by any means but an obvious one nevertheless — must be organic farming and the related activity it generates in the food processing and retail sectors. We have a long way to go but, in fairness, I acknowledge the contribution of my predecessors to developing the organic sector. As far back as November 2000, the then Minister of State with responsibility for food, the former Deputy Davern, established the Organic Development Committee on foot of a recommendation in the Agri-Food 2010 report. This committee was the first forum to bring organic producers together with a wide range of stakeholders, including the main farming organisations, a number of State bodies, such as Teagasc and Bord Bia, and representatives of the retail sector and consumer interests. Two years later Deputy Noel Treacy, the then Minister of State with responsibility for food, accepted the recommendation of the Organic Development Committee that three new structures be set up.

Foremost was the National Steering Group for the Development of the Organic Sector, which was intended to act as a driving force for the development of the organic sector and a

basis for advancing partnership between the organic sector and the other principal essential interests. Two other groups with a specific remit were established to feed into the work of the steering group. A partnership expert working group, led by Teagasc, was given the task of co-ordinating, facilitating and monitoring the provision of training, education, advice and research. An organic market development group, under the co-ordination of Bord Bia, was given overall responsibility for developing a national marketing strategy for organic food. These are not talking shops. Partnership is vital if the organic sector is to reach its full potential, and it is important for all the stakeholders to have forums like these to exchange views and information.

In 2008, my Department launched a new organic farming action plan to drive the organic sector forward for a number of years into the future. To put matters in context, the organic sector here is still small in the context of agriculture as a whole, but it is growing faster than other sectors. At the end of 2008 there were approximately 1,450 organic operators in Ireland with 44,751 hectares of land — more than 1% of the land area — in conversion or under organic production methods. Although this is less than the 5% EU average, it is a substantial increase on the previous few years.

The growth in demand for organic food is clearly illustrated by the organic retail market. The Irish organic retail market was estimated to be worth €104 million in 2008 compared with €66 million in 2006 and €38 million in 2003. Annual growth of 40% in 2007 and 2008 — naturally growth in this market has eased but it is still high at 11% — compares with 2.7% growth in the conventional food sector. I will cite more up to date figures. Bord Bia has calculated that currently the organic market here is worth €120 million. The issue that presents a challenge for all of us in this House and for all those involved in farming is that only about 25% of the Irish market for organic produce is met by Irish production whereas 60% of the equivalent market in the UK is met by UK production. Therefore, considerable import substitution opportunities are staring us in the face.

Current trends in the production and consumption of food here indicate that we have an increasingly health conscious consumer who demands quality, convenience and value. As the majority of organic produce sold in Ireland is imported, it is clear that there are opportunities for producers to fill that gap. I know consumers like to know where the food they buy is produced and their preference in general is for Irish produced food. Irish organic food definitely sells well.

Locally produced organic food definitely has an extra appeal to consumers. With the growth in direct selling, via farm shops, box schemes and farmers' markets, there is increasingly an outlet there for organic producers and processors to market their products locally. The development of these direct routes to market are all the more important now as producers find their margins cut or eliminated by larger retailers. I am aware that some of the large organic producers who sell through the major retailing chains have been asked to accept major cuts in the prices offered to them.

The paradox in organic farming in Ireland is that although we are self-sufficient in organic red meat and there is a huge export market waiting to be exploited — we can talk about those who are growing that export market — we have to import many of the organic fruit and vegetables we eat. We could replace many of those imports with Irish organic produce. At a recent Teagasc conference we were told that 23% of Welsh horticulture is organic, so we have much potential.

I am satisfied that a major market opportunity exists for the expansion of the other sectors, both for the home and export market. The UK organic market is worth €2.1 billion as against the €120 million I mentioned for the Irish market. Bord Bia research shows that British consumers are favourably disposed to buying Irish organic produce. They regard that as local as

[Deputy Trevor Sargent.]

we talk about Irish produce being local. Recently I attended the World Organic Trade Fair in Germany where, for the first time, Bord Bia was represented. The German organic market alone was worth €4.6 billion. I am aware that those Irish organic businesses on the joint Bord Bia-BIM stand garnered significant new orders at that fair at a time when most businesses are simply trying to hold on to existing market share.

The organic food market presents major opportunities to Irish farmers and producers. The main organic enterprise at farm level is beef production. Bord Bia research shows that a major deficit exists in the UK market for organic beef. Based on the success of our existing organic exporters it is clear that the quality of our beef very readily suits that market.

While organic dairying has developed to a minimal extent to date, the feedback I am receiving from the industry indicates that a serious potential exists for expanding our organic herd. The market for organic lamb is not as straightforward. For example, while some established producers, especially those who are producing out of season, have been able to market their produce organically at a decent premium, new entrants, especially those marketing at peak season, may find it difficult to source organic outlets at present. This is an area I would like to see actively pursued by the industry and Bord Bia. Teagasc should be in a position to provide sufficient back-up to enable organic lamb to be produced in a cost-effective manner.

The current rural development programme, which runs from 2007 to 2013, clearly identifies the Government's ongoing financial commitment to the development of the organic sector in Ireland. The programme provides direct support to farmers through the new organic farming scheme. Previously, organic farmers had to be in the rural environment protection scheme, REPS, to get a supplementary organic payment, but that is no longer the case. This initiative is designed to encourage small-scale horticultural producers to convert to organic production and also to induce conventional tillage producers to convert part or even all of their holdings. Both areas are very much in deficit production-wise and there is a ready-made market for the organic product.

As a further incentive to encourage non-REPS farmers solely involved in tillage production to convert to organic farming, there is an additional payment of €240 per hectare available in the in-conversion period, up to a maximum of 40 hectares, provided they grow green cover crops during that period. This measure should be of particular interest to tillage farmers wishing to convert part of their holdings to organic production. The availability of home-grown certified organic grain is one of the main challenges facing the organic sector at present and it is hoped these initiatives will go some way to alleviating this situation.

The growth in the demand for and consumption of organic food has been clearly established. To reap the benefits of growing levels of consumption of organic food, the potential market opportunities at home and abroad must be exploited more fully. Organic farming has a major role to play in meeting the ever-increasing challenges of depleting oil supplies, climate change and the provision of a sustainable supply of food. More farmers producing organic food in Ireland would mean fewer imports, more jobs at home and less energy used worldwide.

I read with interest research on the nutritional benefits of organic food, the great employment opportunities and the resilient growth of worldwide consumer demand for organic food in spite of the recession. However the saving in oil and oil-based agri-chemical use in organic farming has the potential to feed people when oil is unaffordable and agri-chemicals unattainable. It is fitting that we are having this debate today because in 1909 two German scientists, Haber and Bosch, discovered the process which synthesised nitrogen from fossil fuels. Since then we have been producing food with dependency on fossil fuels and dining out on oil and natural gas.

We must sustain that level of production because of our population but it will require many more people to get involved in growing more food. At the time of that discovery exactly 100 years ago, before agriculture was industrialised by fossil fuel dependency, we had 1.7 billion people on the earth. Today we have 6.5 billion. Unless more people become involved in growing more food minus oil and agri-chemicals, the agricultural miracle of the 20th century may become the agricultural apocalypse of the 21st century. That is why this debate is so important. It gives us the opportunity to reflect on what it is like to grow food when one does not have agri-chemicals. We have a choice in the matter now; that may not be the case in the future.

While it is my Department's job to foster and promote all kinds of farming and food production, we recognise the organic sector for what it is: a valuable, more sustainable production system that offers real opportunities to farmers and the food sector, and real prospects to preserve and create new jobs, thus ensuring quality of life for this and future generations.

Senator Jerry Buttimer: Cuirim fáilte roimh an tAire Stáit. Today marks our second debate on the organic food industry. I welcome the debate and thank the Minister of State for being here. It is important to welcome the progress that has been made. Regarding the food industry, I am tempted to roll out the famous old Fianna Fáil slogan and change it to “a little done, tonnes to do”, if the House will pardon the pun. I welcome the Minister of State's developments. The organic food industry is growing and developing and it is important that we acknowledge that.

However, this debate comes at a time when we must all wake up and look at what is happening in agriculture in our country and in Europe and at the direction in which the sector is going. It has consequences for the main Government party regarding its alignment with the liberals in the EU on the renegotiation of the Common Agricultural Policy and what it stands for on that.

More importantly, agriculture and the food industry are in a very precarious position. Many people will say they are in crisis. Farmers and farming organisations will say that morale is low and that, as a nation, we are in difficulty regarding agriculture. I acknowledge that there is potential in the organic food industry and that is important, but it is one cog in the wheel. It is not the most significant issue in agriculture today.

Deputy Trevor Sargent: The House asked for this debate.

Senator Jerry Buttimer: I appreciate that, and I do not refer to the Minister of State but to the fact that the main Government party is bringing this in when we should be talking about the collapse of dairy and beef prices in the industry and milk prices. On RTE's “Agriview” over recent weeks, there have been farmers, their wives and members of Macra na Feirme speaking on national radio about being in poverty. The Minister of State should look at the way milk and beef prices have gone in this country. All of us in the House are from rural farming or know people involved in it. My uncles are involved.

Deputy Trevor Sargent: Senator Buttimer is talking about non-organic beef and milk.

Senator Jerry Buttimer: I am talking in general.

Deputy Trevor Sargent: No, he is talking specifically.

Senator Jerry Buttimer: I am talking about the price. The Minister of State is focusing in and I am broadening this debate because it is on one segment of the Irish agriculture industry — organic food.

Deputy Trevor Sargent: That is what I was asked to speak about.

Senator Jerry Buttimer: I appreciate that but I am broadening the debate because it needs to be broadened. I understand where the Minister of State is coming from because he has a particular slant on one section of the market.

Deputy Trevor Sargent: I was asked to speak about it. I have a slant on every aspect of the market.

Senator Jerry Buttimer: That has not come across. The Minister of State's press releases in recent weeks refer to the deadline for applications for the organic farming scheme and the introduction of a new EU organic logo. Let us have a debate on where we are going in agriculture.

Deputy Trevor Sargent: We need the Minister, Deputy Brendan Smith, here.

Senator Jerry Buttimer: We need all the Ministers here. I agree with the Minister of State. The Ministers have been absent.

Senator Ned O'Sullivan: The Minister of State is here now.

An Leas-Chathaoirleach: Senator Buttimer, without interruption.

Senator Jerry Buttimer: Those opposite are hiding behind the Minister of State who, to his credit——

Senator John Carty: We are not hiding behind anybody.

Senator Ned O'Sullivan: We are proud of our Minister.

An Leas-Chathaoirleach: Senator Buttimer, without interruption.

(Interruptions).

Senator Jerry Buttimer: The Senators opposite can huff and puff.

Senator John Carty: Senator Buttimer is the master at it. We have a lot to learn from him.

Senator Jerry Buttimer: Senator Carty might start to learn.

Senator Ned O'Sullivan: Keep going.

Senator Jerry Buttimer: When the ballot boxes are opened on 6 June, the Irish farming sector will give those opposite a resoundingly negative response for the way they have treated the sector over the past three and half years. They should get that fact right. We will vote for Colm Burke and Seán Kelly in Ireland South and we will win two seats. Senator O'Sullivan should not worry about that.

An Leas-Chathaoirleach: Senator Buttimer should stick to the statements on the organic food industry.

Senator Jerry Buttimer: I am trying to speak but Senators Carty and O'Sullivan are embarrassed by Fianna Fáil's record in government on agriculture.

Senator John Carty: We are not embarrassed by our record on agriculture.

Senator Jerry Buttimer: They should be embarrassed by it.

Senator John Carty: Our Government gave more grants to the farming community than any party ever——

Senator Jerry Buttimer: They are hiding behind a Green Party Minister of State. They should be ashamed of themselves because they have let Irish farming down for the past ten years.

Senator John Carty: We have not.

Senator Jerry Buttimer: There is a crisis in Irish farming caused by the Government.

Senator John Carty: We gave more grants to the Irish farming community than any Government party in the history of the State.

An Leas-Chathaoirleach: Senator Buttimer, without interruption.

Senator Jerry Buttimer: In fairness to the Minister of State, he is doing a reasonably good job in developing the organic food sector but the Minister does not have the presence of mind to come into the House to debate the real issues.

Senator Ned O'Sullivan: The Minister of State must be doing a very good job if Senator Buttimer cannot talk about him.

Senator Jerry Buttimer: The real issues in Irish agriculture do not include the organic industry but others which those opposite are afraid to debate. Let us get real.

Senator Ned O'Sullivan: We are here to talk about organic farming.

An Leas-Chathaoirleach: Senator Buttimer, without interruption.

Senator Jerry Buttimer: Those opposite are embarrassed and they should be.

Senator John Carty: We are not embarrassed.

Senator Jerry Buttimer: They should be. Their record is quite poor.

Senator John Carty: We are very proud of our record on what we did with Irish agriculture over the past decade.

An Leas-Chathaoirleach: Senator Buttimer, without interruption. Will the Senator please stick to the item on the agenda?

Senator Jerry Buttimer: I am doing so. I am talking about agriculture. This debate should be about agriculture linked to food. It is important we have a debate on food, enjoyment of food and where we want to go. I am a fan of Paulo Tullio who is a great person to articulate the views of ordinary people. In an article in the *Irish Independent* last year, he spoke about food miles. He said food transported from far off countries should be avoided in favour of local produce. He rightly made the point that it is not as simple as talking about food miles.

We are all committed to developing the organic food industry. The Minister of State spoke about increasing the market share to 5% by 2012 but said nothing about how we will arrive at that point. Currently, it is at 1%.

Deputy Trevor Sargent: It is more than that.

Senator Jerry Buttimer: How will we get to 5%? The Irish organic market is worth only 0.65% of the European market. The Minister of State said the Irish organic retail market was estimated to be worth €104 million in 2008. That is only a fraction of the European market share which I believe is worth €16 billion annually. Where is the blueprint to get to that point? The Minister of State did not mention it. What is the Minister of State's other remit?

Deputy Trevor Sargent: Horticulture.

Senator Jerry Buttimer: About what else should we be concerned? It is important we look at the roles of the Ministers in the Department of Agriculture, Fisheries and Food.

I would like to use this debate to raise the issue of men's health. I agree with the Minister of State that people are taking time to look at the quality of the food they eat, whether vegetables, fruit or meat. If, like me, one goes to one of the 24-hour supermarkets at 12 a.m., one will see many people shopping and taking the time to look at products. In the context of the debate on the organic food industry, it is important we place an emphasis on men's health. I am not being sexist but men are very slow to take care of themselves. We should link men's health into the debate on organic food and get more men involved.

I do not believe the Minister of State mentioned the cost of organic food in the shops. In some cases, it is ridiculously priced and there should be a policy to change that.

Deputy Trevor Sargent: The farmer does not get that.

Senator Jerry Buttimer: The Minister of State is right that the farmer does not get that. I will come to that.

We should have food festivals throughout the country to promote organic food and Irish food. During the last debate we had — Senator O'Sullivan spoke eloquently about that — I referred to the English Market in Cork and the Minister of State spoke about the growth of country and farmers' markets, which we need to develop.

An Leas-Chathaoirleach: Senator Buttimer has one minute remaining.

Senator Jerry Buttimer: I was heckled for five minutes.

Senator John Carty: Senator Buttimer did much heckling.

An Leas-Chathaoirleach: Senator Buttimer invited some trouble.

Senator Jerry Buttimer: We need to highlight the English Market in Cork and the farmers' markets in other places.

The Minister of State spoke about the importation of organic fruit and vegetables. Why is there a deficit of such food in this country? Surely, we should be able to grow and be self-sufficient in simple fruits and vegetables.

The Minister of State spoke about the prices. What is happening to the Irish farmer is appalling. Members opposite cannot condone or accept what is happening to the Irish farmer in respect of the prices they are getting.

Senator John Carty: We do not condone it.

Senator Jerry Buttimer: The Minister has done nothing to help.

Senator John Carty: He is doing everything possible to help .

Senator Jerry Buttimer: He is not.

Senator John Carty: He is.

Senator Jerry Buttimer: Some of the big chain stores are running amuck and they are being allowed to get away with it.

Senator John Carty: Why does Senator Buttimer not mention the co-operatives?

Senator Jerry Buttimer: It is about time we had a debate on the cuts to the farm income. Senator Carty can smile at me but we need such a debate.

I refer to Richard Corrigan and Bord Bia. He was perhaps misguided in what he said about Bord Bia but we need to look at how we market and sell Irish food and restaurants. We have some of the best restaurants in the world and have great food but we have the potential to be better. It is important we use people who can better sell Ireland. The best way to better sell Ireland is to change the Government and appoint Deputy Michael Creed as Minister for Agriculture, Fisheries and Food. He will look after the interests of Irish farming and the Irish food industry because after 12 years Fianna Fáil has made a complete hash of it and should just go. It should save itself the indignity of being indicted by the people.

I thank the Minister of State who, unlike other Ministers, comes into the House, stays for the duration of a debate and gives a good presentation. That should be acknowledged. While we might disagree on issues politically, the Minister of State has an interest. He might be one-tracked in what he is doing but he makes an effort, unlike some of his colleagues who will not even come into the House.

Senator Rónán Mullen: The Minister of State is being damned by faint praise.

Senator Ned O'Sullivan: Before I welcome the Minister of State, I compliment Senator Buttimer on a most extraordinary speech on organic farming. He touched on nearly everything else apart from organic farming. We nearly got the half-time score of the Cork final before we heard about organic farming.

Senator Jerry Buttimer: The Senator should stick to the issue.

Senator Ned O'Sullivan: I will stick to the issue. I welcome the Minister of State. As Senator Buttimer said, he is very fair with his time in the Seanad and always gives a very good account of himself when he comes in. I commend him and his Department on the outstanding work they are doing, especially in the promotion of the organic market. In a very difficult economic climate, it is important we use every opportunity to enhance our economy. The organic sector is more important than ever in that regard.

The Minister of State has set himself a very ambitious target in the action plan. When one sets a target, one encourages people like Senator Buttimer to pick holes in it. It is a courageous thing to do. Obviously, it is too early to see how we are progressing but perhaps there are some figures to indicate whether we are on track, ahead of expectations or a little below them. It is clear everybody will understand that it is going to be infinitely more difficult for the Minister and for the Department to realise their targets as a result of the downturn in the economy which is affecting everybody and everything. I suspect it will probably hit the organic food area as well and perhaps more so and therefore the Department will need to be ever more vigilant. Somebody once observed that organic products thrive in an affluent society. The Minister of State may not necessarily agree with that comment but organic products tend to be more expensive because their production is more costly and more demanding and the stan-

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dards are higher and there is a cost factor as a result. When products become more expensive and when the economy is dipping, people will probably tend to look at cheaper options. This may be short-sighted and less than ideal but human nature being what it is, this is what will happen. Many commentators are of the opinion that there will be a downturn in an area as fragile as the organic sector, despite the best efforts of the Minister of State and his officials.

As Senator Buttimer would say, I will broaden the debate to discuss general agricultural prices. We are definitely in queer times when a farmer — the normal or orthodox farmer, so to speak — is getting €1 for his gallon of milk and it costs him almost as much to produce it and that is in good, dry weather. At the moment, with the May we have had, it has been a wet season with cattle back indoors and increased ration costs, most dairy farmers are producing milk at a loss and that is not acceptable and I know the Minister, Deputy Smith, is addressing that——

Senator Jerry Buttimer: What is he doing?

Senator Ned O’Sullivan: He is addressing the issue. He will be in the House in due course and he will be well able to answer for himself.

Senator Jerry Buttimer: Is he afraid to come in to meet the Senators opposite?

Senator Ned O’Sullivan: He is not afraid of anybody. The Senator can huff and puff but he will not blow our house down.

Senator Jerry Buttimer: The people will do that on 5 June.

An Leas-Chathaoirleach: Senator O’Sullivan, without interruption.

Senator Jerry Buttimer: Senator O’Sullivan is like the bridge in Listowel.

Senator Ned O’Sullivan: Yesterday, Tesco management were picketed by angry producers, in this case, potato producers. We will probably be seeing more such actions. I have the greatest sympathy for our producers but it is the case that we are in a free, open market. I refer to Senator Feargal Quinn’s excellent book, *Crowning the Customer*, in which he makes it clear the consumer is king and consumers will choose and look for the cheapest and best value they can get. I am not preaching in favour of multinationals — anything but — and it is regrettable that any amount of foreign produce would be appearing regularly on the Tesco shelves but Tesco makes the point that it is the single biggest market for Irish produce so we must be fair in our comments. We will probably see more of this pattern.

I refer to the price of organic chickens, for example. These chickens tend to be larger and are therefore more expensive. The ordinary housewife whose husband has been made redundant will be watching the pennies carefully. She can buy a regular chicken for €3 or €4 and in the case of a butcher in my town she will get the chicken free if she buys the rest of her meat there. It would be very difficult for the organic chicken producer to compete in this case. It is all the more important that the Minister of State would continue with the proactive tranche of attractive grants he has made available for people in the organic sector. These grants are better than the grants available under REPS and the two are not mutually exclusive. The Minister of State is ploughing ahead with his programme in a difficult time and I believe he will succeed.

An important aspect of people’s decision to go organic is the belief that such products are good for their health. Some cynics have argued there is no difference and some of them are working in Teagasc or in the general agricultural sector. It is very important that this fact is

established. I ask the Minister of State if it is possible to be even more proactive on this issue. I am aware that surveys have been undertaken and I read recently about one done in Newcastle University the results of which were quite favourable for the organic sector——

Deputy Trevor Sargent: It is not a survey; it is a study.

Senator Ned O'Sullivan: I thank the Minister of State for the correction. I would like to see more such studies and more of those results being promulgated so the general public can be assured. In my view, organic food tastes better and it is better for my health but I am not so certain that everybody agrees and it may have to be proven a bit more.

The Minister of State is to be commended for the work he has done in farmers' markets which above all else benefit the organic producer. Such markets help to cut out the middle man and help to make organic produce more competitive. The produce is presented in a friendly, happy atmosphere and the food is nicely presented and everybody is happy and people will buy there.

Senator Buttimer referred to the recent controversy about Bord Bia. I took a very dim view of the attack on Bord Bia by that particular celebrity chef. Every State board can be criticised and everyone is entitled to his or her opinion but since I took on this portfolio I have found Bord Bia to be very supportive with an excellent professional staff who are driven to succeed and driven by the desire to market Irish products abroad to the best of their ability and we as public representatives should stand up for State bodies. Bord Bia does not have an easy job and anyone can take a cheap shot. It is very unbecoming at a time of economic crisis when we as a nation should be pulling together to have a public squabble which indirectly brings into question the reputation of Irish foods. It was a disgrace and I have complete faith in Bord Bia and am thrilled to hear what the Minister of State stated in his opening contribution about Bord Bia being successful in the lucrative German market. I commend the Minister of State for taking that initiative and for going to Germany himself.

Labelling of produce has been discussed previously in the House and it is an important element which should be addressed again. Bord Bia has been proactive in this regard, as has the Minister of State. I am delighted there is now a range of sanctions against people who are rogue organic producers. The fines rise to a maximum of €5,000 and goods and vehicles may be impounded.

The UK beef market is encouraging. It is a very significant market for Irish produce, worth €2.1 billion and we can grow our slice of that market. The orthodox beef products are in competition with the Argentinian and Brazilian beef producers. We know that Irish beef is better than South American beef but the British public are quite discerning and they look for value. However I have no doubt that the discerning British customer will know that organic Irish beef is vastly superior to any beef product from the rest of the world. I commend the actions taken and I ask the Minister of State to drive that programme to the best of his ability.

Last year the Minister of State was involved in the establishment of the Kerry organic feasibility study. I spoke to the chairman of the group this morning who is a great friend of mine even though he belongs to the ranks of Tuscany, the great councillor, Johnny "Porridge" O'Connor, well known to my colleague opposite. I asked him how the study was faring as I was going to speak in the House today. He gave the study the thumbs-up and he thinks it is progressing very well. They are making concerted efforts to increase their markets and trying hard to move into the hotels and to persuade hotels to designate certain menus as being organic and to develop the farmers' markets and make them more widespread in the south west. He asked me to make one or two points to the Minister of State. He believes there is an overabundance of red tape in some aspects of designation of organic products and maybe a little

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over-policing. He was quite positive in his comments but he sees a difficulty in having Kerry lamb designated as organic because to all intents and purposes it really is an organic product and is a very healthy food but because at one time in the year some artificial fertiliser needs to be used, it is not regarded as organic. I ask the Minister of State to address this issue if possible but the group is very grateful to him for his involvement and is generally very positive even though some are members of the parties opposite.

It would be very regrettable if in our new economic situation we got a dumbing down of our attitude to quality food or an impoverished thinking as regards what we should eat. I trust in and depend on the Minister of State to ensure this does not happen, and I have the utmost confidence in him.

Senator Rónán Mullen: Ba bhreá liom i dtosach báire fáilte a chur roimh an Aire Stáit. Is minic a deirtear faoi saol na parlaiminte gur rud fíor-thábhachtach é go mbeadh daoine ann le scileanna agus taithí difriúla ar gnéithe den tsaoil. Is cinnte gur maith an rud é go bhfuil duine ar nós an Aire Stáit freagrach as an réimse seo, mar níl aon amhras nach amháin go bhfuil an suim aige ins an ábhar ach go bhfuil an t-eolas agus an cur chuige aige freisin agus tréisigh mé leis de bharr sin.

Is ceist an-tabhachtach é seo agus is breá liom go bhfuilimid ag plé bia orgánach. Bhí mise an-tógtha leis an díospóireacht le déanaí faoi spiorad na h-Éireann, an plean seo nuair a tháinig daoine le dea-mhéin le chéile chun leagann amach cén chaoi a bhféadimis a shocrú go mbeadh neamhspleáchas ag Éirinn ó thaobh an fhuinnimhde, go mbeadh foinsí fuinnimh ann, ní amháin chun deileáil leis ár riachtanais fhéin ach go mbeimis in ann fuinneamh a easportáil, fuinneamh glann. Is é sin dea-scéal na linne seo agus tá mé ag súil go mór leis an bplé faoi seo atá eagraithe ag an Seanadóir Larry Butler.

Tá an rud céanna fíor i gcás na bia orgánach. Nuair a smaoinimid faoi an dúshlán atá romhainn ag an am seo maidir le cúrsaí gheilleagair agus eacnamaíochta, nach iontach an rud é go raibh an t-Aire Stáit in ann teacht os ár gcomhair agus labhairt faoi na féidearthachtaí atá ann, an margadh atá amuigh ansin do bia orgánach, agus an dul chun cinn ar féidir linn a dhéanamh? Nach bhfuilimid ach ag tosnú, nuair a thógaimid an fhigiúil san áireamh, go bhfuil meán 5% den talamh in úsáid ar fud na hEorpa agus nach bhfuil muidne ach ag 1%, agus ag an am chéanna go bhfuil an lipéid sin orainn, go bhfuilimid glann agus glas? Feictear domsa go bhfuil sé tábhachtach go nglacaimid an deis ansin, mar nach mbeidh an clú sin orainn i gcónaí muna mbainimid úsáid agus dea-úsáid as.

In that context I welcome the Minister of State as a man who has a particular passion for this subject, given his knowledge and ability, and I thank him for putting before us welcome optimistic news at a time we really need it. However, it is news which carries its own warnings. The startling statistic is that 5% is the average land under organic agricultural activity at a European level and we are only at 1%. Given the reputation Ireland has as a clean green country, it seems this will not last forever unless we take proactive steps to use it to maximum effect.

What an irony of history it is that our British friends regard us as “local”. Should we not have advertisements on British television, saying, “Buy local, buy Irish”? It would be a wonderful sign of our maturity if we could set aside past grievances and recognise the opportunity we have in our renewed and greater friendship with our British neighbours, take advantage of their perception of us as being local and not be in any way embarrassed about that. That would show an economic and political maturity. I note, also, the telling statistic the Minister of State brought before us that we are able to meet 25% of our organic market needs using Irish products and that the comparable figure in Britain is 60%. That tells us this is an area of

massive opportunity. As the Minister of State said, the opportunity varies in particular areas, but what we must take from today's debate and continue to stress is that the importance of the debate about organic food exists on several levels. We must reflect on the cultural importance of the organic food debate, the public health significance, as referred to by Senator O'Sullivan, and of course the economic importance, which can never be far from our minds.

I should like to reflect briefly on something said by Ms Siobhan Morris, co-author of *Organic & Green Guide to Ireland (2005-06)*, her insightful comment on organic food production where she recognises that, "In producing food we must allow space for other creatures to live alongside us". The organic food concept recognises that we have a duty to leave the world around us in a healthy state for all our children. This concept of inter-generational solidarity should never be far from our minds. I was in touch with Mr. Sean McArdle, director of Irish Farmers' Markets, who points out what we all know, that there is a great demand for organic food, particularly fruit and vegetables, but also wheat, as he specifies. People, as we know, are cooking at home more and not going out to restaurants as much. That presents its own challenges, of course, for other areas, but he has noticed an expansion of that trend, even in the past few months, which will not surprise us. He points to the demand that exists for home produce and says people are rightly questioning where their food is coming from and want to do their bit in contributing to national economic well-being by consuming Irish-grown products. That is not jingoism, but a mere healthy sense of survival and mutual dependency. Ar scáth a chéile a mhaireann na daoine.

Mr. McArdle also points out that we worry about price as regards organic goods, but he says it is 5% to 6% cheaper to buy in farmers' markets as there are no packaging or storage costs to be taken into account. He makes positive comments, as might be expected, as regards the relative price advantage to be enjoyed at farmers' markets. We all welcome, from a cultural as well as an economic viewpoint, the presence of farmers' markets.

The Minister of State may think I am barking mad to mention an organisation called WWOOF Ireland.

Deputy Trevor Sargent: Never.

Senator Rónán Mullen: For those who do not know it, WWOOF means either "willing workers on organic farms" or "worldwide opportunities on organic farms". This is an organisation——

Senator Ned O'Sullivan: It looks to me like a shaggy dog story.

Senator Rónán Mullen: No, and as I said I am not barking mad bringing it up, because there is a very good——

Deputy Trevor Sargent: I was one of those soldiers.

Senator Rónán Mullen: I am delighted to hear it. So too was Mr. McArdle of Irish Farmers' Markets. The Minister of State will know, therefore, that WWOOF is a worldwide network which started in the UK in 1971 and has still become an international movement that helps people share more sustainable ways of living. People will work on farms, free gratis; the payment is not monetary, but of course there are many other forms of compensation. Hosts provide food and accommodation, they get the benefit of assistance on the farm and share their knowledge and experience of organic and sustainable lifestyles with what are known as "wwoofers".

For the last ten years the Republic of Ireland has been represented by WWOOF Independents and in Northern Ireland by WWOOF UK, but I am glad to note that from 2009 WWOOF

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Ireland represents all of Ireland, and it is appropriate it should get the acknowledgement it deserves for the good example it sets. I want to note and compliment the work of various organisations such as Bord Bia and Teagasc and in particular the organic farming action plan for these years presented by the Minister of State. I also want to note in particular objective 2 of that, which talks about increasing the knowledge base in organic food and farming. Certainly, the 153 registered hosts with WWOOF in Ireland could have a valuable contribution to make in this area of training.

While I am on the subject of training, I come from a part of County Galway with which the Leas-Chathaoirleach will be very familiar. I went to school in Mountbellew, where we are fortunate to have an agricultural college that is very well regarded. Because of cuts in funding, however, we will only have three full-time colleges, in Cavan, Kilkenny and the Botanic Gardens and there will be ten or 12 part-funded colleges, including Mountbellew.

I am aware of the economic difficulties and circumstances that cause these types of cuts to be made, but in commending the proposal to provide training, retraining and upskilling for people to become successful organic farmers in existing agricultural colleges, I wonder whether we are going along the right track when cuts are being made in agricultural colleges such as Mountbellew, which I believe to be the only one in the west. However, in that regard I am sure the Minister of State has a plan to ensure the necessary training is available so there is no delay, *bac* or *constaic* as regards training people in the skills and knowledge necessary for organic farming. It is, nonetheless, a point that deserves to be made in passing.

Rath Dé ar an obair, although it is not all going to be simple. There are issues of price differential and the operation of supermarkets. My distinguished colleague, Senator Feargal Quinn, may not agree with everything I have had to say on this subject.

The more we talk about the cultural, public health and economic importance of organic food, the better for ourselves. It is good that there are markets for organic food but we must do our best to supply those markets and to do so soon. The present opportunities will not last forever. We need to take advantage of them. *Caithfimid an deis a thapú agus leas a bhaint as na féidireachtaí atá ann, maidir le feirmeoireacht orgánach.*

Senator Kieran Phelan: I welcome the Minister of State, Deputy Sargent, to the House to discuss this important issue.

The organic farming action plan, to which the Minister of State has referred, outlines more than 60 actions to assist in achieving the Government target. I congratulate the Minister of State and the Department on this comprehensive plan. The plan includes ambitious targets, such as having 5% of land under organic production by 2012, which will mean an increase from the present 44,600 hectares to 215,000 hectares by 2012. It also includes the development of a comprehensive consumer awareness plan which will disseminate information on the benefits of organic food and focus on increased marketing of Irish organic products in our main export markets. The Minister of State has clearly identified market opportunities for organic producers at home and abroad. In the current climate, it is important to recognise and avail of all such opportunities. I thank the Minister for his efforts in spreading the organic message and highlighting these opportunities.

The world organic market has been growing by 20% a year since the early 1990s and projections for further annual growth range from 10% to 50%. Ireland is well placed to capitalise on this growth in the international market, due to the successful marketing of Ireland abroad by Bord Bia. The Minister of State's statement indicates that Bord Bia research shows a major deficit in the UK market for organic beef. The identification of potential markets and the initiative of producers to target them are a key to future progress. I commend the Minister of

State on his efforts to highlight these potential markets. The Minister of State's statement highlights the value of the organic retail market, which was worth €104 million in 2008. The figures presented show that this trend in consumption is growing year by year and identify a potential for further growth.

I agree with the Minister of State that the organic sector is a valuable and totally sustainable production system which offers real opportunities to farmers and the food sector. Research also shows that 45% of Irish grocery shoppers bought an organic product in 2008, indicating a 20% increase over 2003. The increase in value of the organic market to €104 million represents an 82% increase in market value over the past two years.

Today's debate is highly topical, given that the world organic market has been growing by 20% a year since the early 1990s and future projections for further annual growth range from 10% and 50%. In this context, it is timely to debate the potential future growth and marketing of this sector in Ireland. I welcome this debate and congratulate the Minister of State and his Department on the organic farming action plan to develop this important and growing sector of our farming economy.

As a farmer, I appeal to the Minister of State to promote organic Irish beef on world markets. This is a tough year for the farming community. In the past six to eight months we have had extremely bad weather and a hard spring.

Senator Michael McCarthy: What about the Minister for Agriculture and Food?

Senator Kieran Phelan: The Minister has also had it tough but, like all farmers, he is a survivor. He will help us in this regard.

Organic food is an important commodity in the Irish farming economy and I wish the Minister of State well in all his endeavours.

Senator Michael McCarthy: As usual the Leas-Chathaoirleach is chairing the debate very effectively. I welcome the Minister of State, Deputy Trevor Sargent. I look forward to interacting with him in this debate. I welcome the fact we are debating an important issue. In the current economic downturn, debate tends to centre on the global, European and national economies. Too often, issues such as this are pushed to one side. This is not done intentionally but the political agenda of the day tends to concentrate on other areas. I am happy that the Leader arranged this important debate. I welcome the Minister of State to the House and I wish him well in his Ministry, as I have done on previous occasions.

The Minister of State will know, from his time teaching in Dunmanway, the areas to which I will refer. They have contributed to the branding of logos and the production of high quality food and to the Irish tourism sector, particularly in the beautiful parts of west Cork and south Kerry.

Deputy Trevor Sargent: I was there on Monday.

Senator Michael McCarthy: I believe so. The Minister of State visited Clonakilty, one of the food capitals of west Cork. One of my people heard the Minister of State speak. He is welcome in west Cork any time.

Senator Kieran Phelan referred to farming. There has been extensive lobbying from the Irish Farmers Association regarding the difficulties caused by the economic downturn, particularly for younger farmers. I hope the Government will look again at the early retirement scheme and installation aid, which were axed in the budget of 15 October 2008.

[Senator Michael McCarthy.]

I will relate a case which will illustrate this problem more profoundly than words or statistical analysis ever can. A woman had been widowed and, while her husband's was in probate, she applied for the early retirement and her son applied for installation aid. Both schemes were axed on 15 October last. That family, who were already suffering a bereavement, faced the financial burden of losing those two schemes. The human effect of those measures goes beyond statistical analysis.

Farming, fishing and food production, as well as construction, are areas where we can begin to re-boot the economy. I have often spoken about the need to replace the labyrinth of prefabs with proper school buildings which would provide the required educational infrastructure as well as much needed employment. The Government should take a lead in looking at food production, farming and fishing in this context. They are important components of the economy of west Cork, for example.

Fishing is an important source of economic activity in coastal areas. The Minister of State knows this subject better than I do because he has special responsibility for food. We produce high quality fish in Ireland. Bord Iascaigh Mhara tries hard to market Irish fish and much of our fish is exported. However, regulations regarding quotas, catches and penalties are hampering people's efforts to make a living from fishing. Salmon drift netting is banned, for example. All these issues militate against younger people coming into these areas of activity, which are very important in rural economies and to food production.

The Kinsale Good Food Circle organises a number of events which showcase local products. Local restaurateurs combine their talents and give their town and its produce a separate identity and character. All the menus boast local produce, whether potatoes grown and harvested in the area, fish caught in the area and Bantry Bay mussels, all of which are uniquely branded. This is in no small way responsible for the tourism. We seek more tourists and a busier industry and this is a very significant impetus for local tourism. It is an annual event which has attracted the famous chef, Keith Floyd, Derek Davis and others. This is a form of decentralisation without mentioning the D-word. We almost bring the mountain to Mohammed. We bring people to the area and put some of the finest products available in the locality on show and display.

Mr. Joe Walsh was the Minister with responsibility for food in the late 1980s and early 1990s and went on to become a very successful Minister for Agriculture. When he worked in the Department with responsibility for food he set up very important bodies such as Bord Bia but he also went to the taste of west Cork festival. He was able to promote industries and provide funding, training programmes and structures which supported the production of food.

For example, Clonakilty black pudding is as famous abroad as it is in Ireland. It is wonderful to visit a city such as London, to enter a supermarket and see a block of Dubliner Irish cheese which is produced in Ballineen, only a number of miles from my home place. It is also wonderful to see Irish yoghurts on display. All such initiatives are well marketed and well promoted but there must be a very strong focus on the continuation of such initiatives, especially given the economic downturn. Their importance to the local economy can never be overstated. Real potential at local level is used and there is potential for added value. People associate product with a location and its people and this contributes to a very successful tourist product that, in my case, is uniquely west Cork and south Kerry.

I refer also to the fuchsia brands initiative in west Cork, a mark of high quality and excellence. It branded certain products and met general requirements and standards.

I refer to building brand awareness. There are supports such as the west Cork community partnership. However, support from Government was critical to opening up markets,

developing the product, open up the export market, improving quality standards, assisting in producing newer products and spreading that message. A range of supports exist in this regard.

Throughout the year I have had glorious opportunities to visit the country markets. They are one of the prized possessions of rural Ireland. I was in Skibbereen some months ago and in Clonakilty last week in the context of local elections. I find myself going to such places and getting an t-ocras mór when I leave. It is wonderful to see the display of artisan products, including the selection of cakes and fish. Such markets operate very well. Generally, a close community of people is involved and their motivation is not profit or money. Of course, profit is a part of it but those involved say it is not their prime motivation. They like doing their job. It is a form of social networking and contributes to the local economy. Unfortunately, there has been an issue in Clonakilty in respect of the permanent location of the country market, of which the Minister of State is aware I am sure. The markets in Bandon, Clonakilty and Skibbereen are wonderful and the produce is mostly organic.

Deputy Trevor Sargent: The market is in Kinsale on Tuesdays.

Senator Michael McCarthy: I could be here for the evening but nevertheless the Minister of State is aware of these areas and has visited them recently. He taught in Dunmanway and was involved in the cub scout movement there. I was in the beavers at that stage as I was too young to be in that net.

Cork County Council has provided a land bank on the Clonakilty road in Dunmanway. There are people who encourage the development of food units, the production and presentation of outlets and the development of manufacturing facilities. This is a significant step forward and I urge the Minister of State, Deputy Trevor Sargent, to exert all possible pressure to get as much as possible for this part of the economy. The small measures matter and from little acorns tall trees grow. If we invest in these areas and put in place proper training, management and funding, then we will be responsible in no small way for rebooting rural economies.

Senator John Carty: I welcome the Minister of State to the House and compliment him on the wonderful work he is doing in the Department in driving and promoting the organic food sector. I realise the matter is very close to his heart and he is promoting it well.

I refer to several aspects of the debate, some of which have already been mentioned by my colleagues. Senator Ned O'Sullivan and the Minister of State, Deputy Sargent, alluded to lamb. Something should be done for the lamb market, especially along the west coast and the hilly areas where the lambs are not born until into the month of April. They go on the hills then and it can be said that what results is pure, organic lamb because very little, if any, fertiliser is used and certainly no pesticides are used on the hills. From west Kerry to Connemara, the west of my county of Mayo, north Sligo and into Donegal, there is significant breeding of lambs.

Several years ago there was an export market in Italy for light lamb. If memory serves me correctly the limit was 14 kg. However, now there is not a great market for that lamb. I am delighted to note the Minister of State's request to various bodies such as Bord Bia to pursue this matter and to help get the product recognised as organic.

I welcome the Minister of State's reference to the rural environment protection scheme, REPS, and the incentive to encourage non-REPS farmers in tillage production to convert some of their ground to organic farming. The Minister of State proposes to give a sizeable grant of €240 per hectare available during the conversion period. Up to now a farmer had to be in REPS to be eligible for the organic farming scheme. This requirement has now been removed, which is welcome, and it should help our situation.

[Senator John Carty.]

I refer to organic beef and entry into markets. We produce a good deal of beef, much of which is organic, and there is a good market for it in this country. However, to access the markets in England is another day's work and I am pleased to note the Minister of State is promoting this aim.

Last weekend I visited Cambridge, one of the oldest cities in England. Through the very centre of the town and beside the university lies a square. It was amazing to see the number of people buying produce in that square on Sunday morning. It was very welcome to witness it and to realise such developments can take place in such a city. In recent years we have progressed to a great degree through the development of farmers' markets in towns throughout Ireland. It was a pleasure to see similar developments in Cambridge as well.

Education is another part of the programme. Several primary schools have taken a plot of ground and sown potatoes, cabbage and some carrots to show the children how it is done. Last month, I had the pleasure of showing such a plot in my local school in Knock to the Minister for Education and Science, Deputy Batt O'Keeffe. Such developments are very important, especially during a recession and when there is no longer full employment. People are now encouraged to take plots and grow their own produce. I realise it can be an effort for some as they have never before seen or taken part in such cultivation. It is wonderful to see such development proceed.

Will the Minister of State ask the vocational education committees to run a programme that would encourage and show people how to grow vegetables again? The Minister of State will know of this from his time as a teacher. When I was young each vocational school had a plot and competed with other schools to see which would have the best garden in the county. This provided a great incentive. We all know how to grow potatoes, but we should encourage people to produce some of the wide range of new vegetables as well.

Deputy Trevor Sargent: A DVD will be issued in September on that.

Senator John Carty: That is welcome. It would be no harm to have some practical know-how on it also.

Deputy Trevor Sargent: Perhaps we should get the Senator involved.

Senator John Carty: The value of the organic food industry to the economy was €104 million last year. This is a significant increase from 2003 when it was valued at €34 million. The faster we can grow this important industry, the better. One hundred years ago, the population of the world was approximately 1.7 billion, but now it is almost four times that and we can expect a world shortage of food in the not too distant future. We must try to ensure that does not happen. We have the means of producing food in a clean environment and the Department of Agriculture, Fisheries and Food has encouraged this over the years by enforcing traceability and setting up schemes to ensure high standards of regulation. While we sometimes complain there is too much regulation, we have done a good job on controlling the spread of animal diseases.

I compliment the Minister of State and his staff on encouraging development in this area and on ensuring we are to the fore in the production of high quality food.

Senator Paul Bradford: I welcome the Minister of State and apologise for being absent during his contribution. However, I am sure my colleague, Senator Buttimer, presented a robust and comprehensive analysis of the situation. Deputy Sargent has spoken here before on this important issue and we are delighted he is here again.

The final paragraph of the Minister of State's speech summarises where our debate on food and agriculture, whether organic, commercial or family farming, should start. He pointed out that 100 years ago the earth's human population was 1.7 billion, but that today it is 6.5 billion. We must acknowledge, therefore, that we are on the verge of a major food crisis. The world has been consuming increased quantities of food at a high rate over the past decade and supplies have come under pressure. One need not be an economic or mathematical genius to know that if this continues, there will be massive food shortages across the globe. Therefore, whether involved in organic, commercial or family farming, we must put an emphasis on ensuring the world can produce enough food to feed mankind.

A major debate is under way in the European Union on how Europe should plan for the future of agriculture post 2013 and it is important we keep the food supply and food shortage issues at the top of that agenda. I recognise the organic food and production sectors have an important role to play, but we must be realistic — I know the Minister of State is — and recognise that the organic sector makes up only a fraction of the entire food production sector. While it is important, we must concentrate on the non-organic sector.

This debate on the organic food industry is taking place at a time of change with regard to the issue of quality versus quantity. At a time of economic plenty people took a greater interest in food quality, food miles, organic and green food, but now we are in more difficult economic times the green organic image has become clouded by economic fears and shortages. The priority now for people doing their daily or weekly shopping is to be able to purchase sufficient food for the family and the issues of food labelling and food miles etc. have lost impetus. The promotion of the organic sector and organic food production have, therefore, become more difficult in these strained economic times. While the debate on organic food and the need to support its production is as valid as ever, priorities at production and consumer level have changed.

Senator Buttimer and other colleagues pointed out the obvious to the Minister of State with regard to the pressures on family farms, the collapse in the dairy industry, the pressure being faced by beef producers and the effect of bad weather on tillage production. A huge variety of problems face Irish farmers and these need urgent attention from the Government.

I recognise the value of organic food production and am aware that while it may be described as a niche market, there is room for expansion and job creation. There is room also for some family farmers to become more expert in organic production. This would be good for the rural economy, Irish agriculture, the food production industry and consumers. We need to encourage this and I support the efforts of the Department in that regard.

The REPS programme was, in a sense, our first mini-move towards organic or more natural food production. The scheme worked well, but there is disappointment at the reduction in payments. I hope that as Government finances improve, be it in two years, five years or ten years, we will be in a position to put more money into REPS-type farming. It is an initiative that should be supported from the environmental and economic perspective. The various support schemes for organic production have been co-funded by Europe and the Department of Agriculture, Fisheries and Food and have resulted in additional people joining the organic food production chain. This is welcome. While recognising the financial constraints on the Department, I urge the Minister of State to try and ensure further support is provided.

I acknowledge the work being done by the Minister of State, following his philosophy and strong belief in organic food production. However, I believe he realises the organic production sector comprises only a fraction of his Department's output and expenditure and is only a fraction of food production generally. If we can grow that fraction, all the better and I will support efforts in that regard. However, it would be remiss of me in this debate not to reflect

[Senator Paul Bradford.]

on the bigger crisis facing agriculture — the lack of confidence, doubt about the willingness of future generations to commit to a full-time career in agriculture, the need to invest in training, research and development and the need at EU level to respond to the crisis in the Irish dairy industry. We need to recognise it is not feasible, financially or otherwise, for Irish dairy farmers to be receiving the same price for milk in 2009 as some of them received in 1979 and 1980. During the same period, the price being paid by consumers has increased by many multiples. I have outlined some aspects of the immediate crisis facing Irish agriculture that need to be given serious attention by officials in the Department of Agriculture, Fisheries and Food and by the Government as a whole. Organic food has a role to play. There is a reasonable degree of consumer demand for it. As I said earlier, we have to accept that the recession will have an effect on this sector. People will have less money to spend on food each week. They may be less willing to spend the slightly higher prices that sometimes have to be paid for organic food. The change in this equation will probably make the Minister of State's job a little more difficult.

Deputy Trevor Sargent: I have to correct the Senator. The organic food sector has enjoyed growth of 11%, whereas the conventional food sector has had growth of just 2.7%. The organic sector is still very strong.

Senator Paul Bradford: Do those figures relate to this year?

Deputy Trevor Sargent: The figures, which were provided by Bord Bia, relate to the period since the beginning of this year and therefore during the recession.

Senator Paul Bradford: I stand corrected.

Deputy Trevor Sargent: I mentioned those figures in my opening speech. The level of growth is still strong.

Senator Paul Bradford: I am surprised there has been such a level of increase in the sector.

Deputy Trevor Sargent: It is not as strong as it was, but it is still strong.

Senator Paul Bradford: It is welcome. The Minister of State will accept that people are less inclined to purchase certain types of foods when they have smaller disposable incomes. When one considers what is happening in the multiple retailers, such as Aldi and Lidl, it is clear that Irish agriculture, particularly the organic sector, will have to confront certain challenges. I wish the Minister of State well in his endeavours. I ask him to keep the broader concerns of commercial farmers and family farms at the core of his thinking. If the present price structure continues, it will drive thousands of people out of Irish agriculture and onto the dole queues. That would be a disaster for our economy and for rural Ireland.

Senator Mark Daly: I welcome the Minister of State. He is responsible for this important sector of the Irish food industry. We would be fooling ourselves if we were to believe that Ireland can compete with countries like Brazil, New Zealand and Argentina when it comes to food production. We do not have the economies of scale that exist in the United States. We do not have the factory farms that are probably still in operation in Russia. In such countries, thousands of acres of land are available to each farmer who engages in the mass production of food. As the Minister of State said at the beginning of this debate, Ireland's image as a country with a green and clean environment is recognised throughout the world. As a nation, however, we have not exploited that image.

I agree with the Minister of State that we can compete successfully in the growing organic food sector. Ireland's ability to compete has been hampered in many sectors of the economy. Perhaps the current battle involving Tesco, which continues to reduce its prices, is the main indication of that. We read yesterday about the protest made by farmers and potato producers at a meeting of the board of Tesco. In the long run, we cannot compete with those involved in the mass production of food. We need to find niche markets, such as the organic food sector. We have to stop pretending that farmers can continue to get paid for products that are also being produced by their Brazilian counterparts at prices with which we cannot compete. We have to add value to our products. Organic production is adding value. The County Kerry organic feasibility study is being undertaken in conjunction with South Kerry Development Partnership Limited. I will not name the chairman of the partnership, as he is running for an Opposition party in the upcoming local elections. I do not want to help his chances.

Senator Ned O'Sullivan: I have outed him already.

Senator Mark Daly: In that case, I will mention him by name. The chairman of the group, Councillor Johnny "Porridge" O'Connor, is doing good work. I hope the porridge in question is organic. He is trying to encourage hotels and restaurants in County Kerry to offer an organic menu. That would be an example of added value. People often come to County Kerry for the food. They get great food in Kenmare and good food in the rest of Kerry. My colleague, Senator O'Sullivan, would argue that the food in Listowel is great as well. If such an alternative were offered in restaurants, it would be another incentive to farmers to produce organic food. Restaurant menus should offer reasonably priced organic food, which is of a better quality because it is not subject to certain processes. Animals in the US are treated with hormones, which does not add to the taste of meat but reduces the cost of producing it and cheapens the product itself.

We are suffering at the hands of a frightening bureaucracy. I recently received representations from members of the Fianna Fáil cumann in Glencar, who are concerned about the proposal to tag sheep. It seems that another level of bureaucracy is to be foisted upon farmers. I appreciate that tags will not be needed in the case of lambs under the age of 12 months. However, this measure will not help farm production or help Irish farmers to compete. It will apply across the European Union, although obviously not in Brazil or Argentina. Perhaps the Minister of State will consider the possibility that the Department is too keen to police these rules. As Senator Carty said, no fertilisers or pesticides are used on the mountains of County Kerry, like those in County Donegal and along the rest of the west coast. However, the certification of the Kerry lamb seems to be quite a difficult issue. Perhaps the Minister of State will examine the possibility of allowing this matter to be included in the organic feasibility study. The ultimate aim of such a move would be to allow the farmers of County Kerry to achieve higher values for their products when they sell them to restaurants and hotels. That would be of great benefit to the economy in my part of the country.

Organic farming is just one of this country's food production issues. One of our other problems is the demise of the co-operative movement. Some 80% of the food produced by German farmers is processed through co-ops. The co-op system allows the farmer to control not only the cost of food production, but also the price charged at the point of sale. Farmers dictated the price of milk through the co-ops for many years. We are aware that the price of milk is much the same as it was 20 years ago. That price has been dictated by plc shareholders ever since farmers sold their shares in co-ops to those who formed those companies. As a consequence, farmers are at a loss. I ask the Minister of State to examine the possibility of the Kerry lamb being certified as organic. What criteria need to be met in that respect? I wish those involved in the County Kerry organic feasibility study the best of success.

Acting Chairman (Senator Terry Leyden): I ask the Senator to conclude as I am keen to give Senator Quinn a chance to contribute before the Minister of State replies at the end of the debate.

Senator Mark Daly: That is fine. I will cede the floor.

Acting Chairman: I thank the Senator for his co-operation.

Senator Feargal Quinn: I did not intend to interrupt the flow of Senator Daly, who was addressing some interesting topics. I am delighted the Minister of State is present for this debate. I am interested in much of what he has had to say. I came up with some figures when I did my research for this debate, but I do not intend to use them after seeing what happened to Senator Bradford. It is obvious the Minister of State has more up-to-date figures than Members. I was impressed to hear the Minister of State mention there were 1.9 billion people in the world 100 years ago, but that figure has now increased to 6.5 billion and is expected to increase to 8 billion by 2025. It was interesting to hear Senator Bradford talk about the need to be able to produce more food. We have to produce more food to feed the additional people on this planet. That cannot be done by organic means alone. It is clear we will have to strike a balance somewhere along the line. We have to make sure there is a market for organic produce and for other produce. I am of the opinion that genetically modified foods should be given far more attention here in Ireland. I am not sure that we are doing so. I would love to see the balance of views taken into account.

I was in London last night to hear a speech by Andy Bond, the chief executive of Asda. What he said about the different trends was interesting and received a fair bit of publicity over the weekend and will now again. He said that the market for organics which were identified as a thing of the future has stumbled this year because people have less money and are trying to feed their families in straitened conditions. They are watching what they spend and organics are expensive.

People howl why are organics so expensive. It is because unnatural fertilisers are not used so they will always be more expensive than other products. I have tried to grow vegetables without using fertilisers and have found a huge difference between using them and not using them. I can understand a farmer being tempted to look for methods and manners to help growth. We must not close our eyes to genetically modified products.

There will, however, always be a market for organics. Some people are fussy about what they and their children eat but the market is confused. I spent a great deal of time in my business listening to my customers to find out what they wanted but for many years I made the mistake of not listening to those who are not my customers who say why they do not shop for a certain product or in a certain store. It is important to listen to them as well. The voice of those who favour organics must be balanced by that of those who choose other options.

It was interesting to hear Peter Dargan, a veterinarian and former chairman of the Irish Consumers Association, who was opposed to organics for health reasons. He said he would prefer to eat vegetables grown with artificial fertiliser than those produced with manure from cattle to protect his health. There are customers who behave well, watching their health from Monday to Friday, and at the weekend decide to misbehave and buy junk food. The market is very confused and the danger is that we do not recognise what can happen.

Between 2006 and 2008 sales of organic food in Ireland rose by 82%. I am not sure whether the Minister of State had that figure. I saw his figure that the market is worth €120 million this year. I was interested in his point that a considerable amount of that is imported whereas in Britain a high proportion is locally grown. As the recession has set in, the return to buying

cheaper food has accelerated. That was instanced in the speech I heard last night. Some argue that market growth in the organic sector is expected to continue but at a slower rate. That is speculation. Figures available for other countries show that there has been a massive slowdown. In the UK a year ago almost half of middle class shoppers bought organic foods but that share has slumped to a third this year, according to the Institute of Grocery Distribution in Britain, of which I am a fellow. We now see how low cost retailers have made massive gains in Ireland, especially in the past year. People are becoming more careful and some are perhaps wary of organic products which they associate with high costs. It seems that more than half of consumers believe that organics are expensive and price is the main reason given for not buying them.

The Irish Times recently mentioned Flahavans in Waterford, which entered the organic market in 2005, and quoted John Flahavan as saying that organic products now account for 15% of their business. His main problem was to source native Irish organic oats for what is the last oat milling plant in Ireland. He said that in 2007 he could get only one week's supply from Ireland, one month's supply for the 2008 season and for this year's processing he was unable to access two to three months' supply. He said he told the farmers he paid €142 per tonne for conventional oats last year but his organic suppliers receive €400 per tonne. There is an opportunity here.

I am delighted we are having this debate and to hear the Minister of State's considered enthusiasm for these products which I do not want to dampen. There is a market there. We can achieve far more than we are doing and it is great that the Minister of State is pursuing that objective but let us get the balance right as well.

Acting Chairman: Will the Minister of State try to conclude by 1.30 p.m. if possible?

Minister of State at the Department of Agriculture, Fisheries and Food (Deputy Trevor Sargent): I will try to conclude in four minutes.

Acting Chairman: The Minister of State has ten minutes but we will have to extend the House sitting.

Deputy Trevor Sargent: I will do my best. In fairness to the Senators who have stayed the course and spoke later, I will go in reverse to respond to as many speakers as possible before I am guillotined.

Acting Chairman: We will not guillotine the Minister of State. We will let him finish his speech.

Deputy Trevor Sargent: I will try not to delay the House.

I thank everybody who contributed. I appreciate the contributions from various points of view. Naturally I have a particular respect for Senator Quinn, given his background, when speaking on any matters to do with food. It is important to listen to all views and take account of the research, as well as to consider the global picture which comes naturally to me because my Green Party background is based on thinking globally and acting locally. I constantly reflect on the question of how to feed the world because it is staring us in the face. There are endless reports. If we could eat paper we would not have a problem — for example, Cambridge University Press has published a report entitled *Can Organic Agriculture Feed the World?* Studies around the world have posed this question. One might offer a view based on genetically modified, GM, foods which represents a paradigm shift and say to hell with it, we have to go GM and go large scale. That view often comes from people who are used to large scale agriculture

[Deputy Trevor Sargent.]

on the American prairies or places where people have the machinery and need only switch over to a higher yield.

When I was in Ethiopia with Irish Aid I put the various choices to the government there. They listened, took it all in and said they had a system of small scale agriculture. They do not have the infrastructure to collect fertiliser, never mind collecting GM inputs, such as seed. To get a donkey to go to a market town could take two days and then they would have to measure time against efficiency, which they do differently from us and which we would find difficult to understand. They said they need more research into organic farming because it is closest to what they can deliver. It involves nutrient cycles and people having small productive farms. These are the people most affected by hunger.

John Flahavan, whom Senator Quinn quoted, said that for most of its life Flahavan's porridge has been organic because it pre-dates the introduction of nitrogen in 1909. He sees it being organic in the future as the phenomenal growth shows. We have been living with a windfall of energy and food production on the basis of that energy and we need to put into practice the next transition to post-oil production. That is a luxury on which we need to reflect because it will not be possible in the future. I am not holding a candle in any way but all these issues need to be considered very carefully and acted upon. We do not have time for a long-term transition.

We know from the pork crisis how quickly the shelves can clear when there is an interruption in the food supply. The more diverse the supply, the more likely it is that we will be resilient enough to withstand the shocks internationally. This is where the gambit of direct sales comes into play in addition to the considerations associated with the retail sector.

Organic produce is more expensive because, in spite of our complaints about energy, the oil we get from the ground is a lot cheaper than human energy. Somebody mentioned to me that he had worked out that if one were to compare the petrol in a full tank with human hours, bearing in mind the cost of labour, one would conclude that it would be the equivalent of approximately 8,000 human hours. Nobody is suggesting we pay a garage 8,000 human hours to fill a car; we are talking about a system of food production that is subsidised because we are not paying for the human labour that would otherwise be required to carry out the work. We are looking at the issue from the wrong end of the microscope. If we say organic production is more expensive, we should realise its cost is closer to the real price of the food. At present, we are in denial that energy will cost more than it does at present. Unfortunately, it is a geological reality that it will cost more. Difficult as rising costs may be to contemplate, we must keep prices competitive and as low as possible.

Senator Bradford, whom I am sorry I interrupted, should note I am surprised organic sales are holding up so well. The Senator and I are listening to people saying times are tough, that they must cut back and cannot pay for things they really do not need. The reality seems to be that people are cutting back on eating out, which is of benefit to the retailers but not to the restaurants. Instead of eating out, people are buying good quality ingredients, cooking at home and having an entertainment experience at home similar to what they would have outside the home. The organic sector is benefiting from that shift. It is great from the perspective of organic producers. It must really be read twice that while conventional food sales have risen by 2.7% since the beginning of the year, organic food sales have risen by 11%. One would have believed the figure would be lower. These statistics are from Bord Bia. I asked it whether it was sure about them and its officials said that is the evidence. Senator Quinn stated that the way in which people respond to challenges is quite complex. I have outlined one of them.

A lot has been said and I will not touch on everything. Senators Carty, Daly and O'Sullivan referred to lamb. It is frustrating because our lamb production is so close to being organic. I

remember mentioning this at an Oireachtas committee and somebody asked why it could not just be called organic. The reality is that the sector has continued to be resilient because it enjoys public confidence. No matter what the pressures are, it maintains its standard. For example, genetically modified produce is not used. This has a lot to do with the public, or the “royal customer” of which Senator Quinn speaks. Regardless of what one might believe or prescribe, customers, by and large, do not want genetically modified food. If they are to contemplate it, they will want it labelled very clearly. They are not confident it is labelled at present and therefore opt for organic produce. One of the main reasons sales of organic food are so high in Austria is because the produce is guaranteed to be non-GM. It was discovered that customers were buying organic produce as a primary consideration.

On the subject of lamb, which has nothing to do with genetic modification, I have asked Bord Bia to revert to me. I attended the Teagasc conference at which we heard from Mr. John Brennan, one of the main people involved with the Leitrim farmers’ co-operative. He stated 11,000 Irish organic lambs enter the market every year while there are 100,000 in Scotland. Ireland supplies organic lamb up to December, after which we depend largely on New Zealand lamb. Mr. Brennan suggested one reason for the difficulty in entering the retail sector with organic lamb – perhaps I could discuss this with Senator Quinn after the debate – is that there are not enough opportunities for direct sales. He said Bord Bia needs to market the organic option. There is considerable investment in marketing spring lamb, but with no reference to organic production. We need to take stock of what has been said today. I ask Bord Bia to take note of what has been said by everybody.

Senator O’Sullivan referred to the clear public perception that organic food is a healthy option. He referred to the study in Newcastle University, which study is the most comprehensive. The peer review is almost complete and we will have a very rigorous scientifically researched reason for presenting a comparison of evidence pertaining to conventional and organic foods. The University of California carried out a ten-year study, focusing mainly on tomatoes. There was evidence that there are more flavonoids and antioxidants in the organic versions, which stands to reason. Organic standards are such that one must plant in soil. A lot more nutrients are obtained when planting in soil than when planting in rockwool, in which most conventional tomatoes are grown. There is nothing in rockwool and the nutrients must be fed in by a drip or hydroponics. A select amount of nutrients, produced in laboratory conditions, is fed to the plant. While organic growing might take a little longer and production may not be so uniform, more nutrients are available because plants are grown in soil.

Evidence suggests that organic milk has more vitamins than non-organic milk. In Austria, milk and potatoes are the two main products in the organic sector. The Austrians read the evidence and chose this course of action.

Senator Ned O’Sullivan: Is the Minister of State satisfied that the message is getting out to the public?

Deputy Trevor Sargent: The Newcastle report, which has been published, will be analysed rigorously and peer reviewed.

One aspect of organic production that must be accounted for, although it might seem small, is that the honey bee population is decreasing. An analogy would be that of a canary in a cage. We depend on pollination and anybody who has tried to pollinate with a small bit of a brush instead of using bees will know just how difficult it is and how bad one’s yield will be as a consequence.

The effect of chemicals is regarded as one of the main reasons for the decrease in the bee population. We must keep ourselves apprised of all the interlinking arrangements. If pollination

[Deputy Trevor Sargent.]

is affected, all agriculture will be affected. It is in our interest that organic production constitute a healthy proportion of agricultural production as a whole. It results in increased biodiversity and will benefit all agriculture because there will be a larger insect population and a higher level of pollination. It is in everyone's interest to encourage the organic sector.

Sitting suspended at 1.40 p.m. and resumed at 3 p.m.

Companies (Amendment) Bill 2009: Order for Committee Stage.

Senator John Carty: I move: "That Committee Stage be taken now."

Question put and agreed to.

Companies (Amendment) Bill 2009: Committee Stage.

Section 1 agreed to.

SECTION 2.

Senator Ciaran Cannon: I move amendment No. 1:

In page 4, between lines 11 and 12, to insert the following:

"(5B) Failure to comply with subsection (5A) is an offence and a company shall be liable to a fine not exceeding €10,000."

As I pointed out the last time I had an opportunity to make a contribution on this Bill, Fine Gael welcomes the legislation and supports it in principle, but we feel a number of amendments are necessary, of which this is one. Section 194 of the Companies Act 1963 requires that directors disclose to their boards any conflicts of interest in respect of contracts or proposed contracts and that a book of these declarations be kept by the company.

3 o'clock
The Bill proposes to amend the 1963 Act by providing that the Office of the Director of Corporate Enforcement should have the power to ask for this book and by making it an offence not to present the book when asked for. The penalty in the 1963 Act for refusing to present the book is £100, which we suggest is far too small and does not act as a deterrent. We suggest this be increased to €10,000.

Tánaiste and Minister for Enterprise, Trade and Employment (Deputy Mary Coughlan): What the Senators are proposing is an addition to the proposed subsection (5A) of section 194 of the Companies Act 1963. The amendment creates an offence the fine for which is €10,000. I appreciate where they are coming from and their enthusiasm for sending a message. However, as it stands the fine is €1,900. It used to be £100, but that was a long time ago. It has been increased accordingly. There will be reforms in the consolidation Bill, major legislation that is coming in, although Senator O'Toole will go through me for a shortcut when I say that.

Senator Joe O'Toole: Absolutely, I do not want to hear about what is coming next year.

Deputy Mary Coughlan: It will be a major Bill and applying a fine at that level now would have an enormous effect on the consolidation legislation. I appreciate the desire for a clear signal but the ODCE can go to court so it would be overdoing it to increase the fine to €10,000 at this time. Having said that, we are giving the ODCE access to the books for the first time. I appreciate the Senator's aims but it is not appropriate to have a €10,000 fine at present.

Senator Liam Twomey: The Minister says she has a problem with fines up to €10,000 if the Office of the Director of Corporate Enforcement deems an offence serious enough but we fine fishermen far in excess of that for landing a few small fish.

Senator Joe O'Toole: I am disappointed. The Government wonders why it gets bad publicity but this is a classic example. This simple amendment shows authority and commitment. When people criticise the Government for not putting laws in place, this is what they mean. The Minister said she intends to deal with this issue in the consolidation Bill next year and no one disagrees with that. The Minister has not told us, however, the problem with putting this arrangement in place now. The Director of Corporate Enforcement is investigating issues full time, waiting six months to put a system in place does not help.

Where is the problem with putting this in place now? Every attempt should be made to support the work of the Office of the Director of Corporate Enforcement. I cannot understand how the Government gets itself into these binds or why it does not recognise that Fine Gael has put forward a good idea that will show people what we are about and that we will not stand for any delay to the work of the ODCE.

The first thing that happens when a request comes from the Office of the Director of Corporate Enforcement to a company is that a phone call is made to the company's lawyers. The company's lawyers will be of the view that it should give nothing away until absolutely necessary. They will then slow down the process. I spoke to someone who told me about six different communications with the legal team of an institution over a simple list of decisions taken. Lawyers probably made at least €10,000 while the official body established by the Minister could not get the information. This happens all the time. It is a smaller version of what the developers are talking about with NAMA — they will take it to court.

We are behind the eight ball every time. It would cost the Department nothing to put this in place and it would at least allow the Minister to say that while the legislation will be consolidated, she put in place a positive idea from the Opposition. How can that hurt? Surely that must be positive and is the sort of thing we should be doing. When the Taoiseach, the Minister for Finance and the Minister get together to look at these things, surely this is what is wanted.

Fine Gael is not trying to score political points here, it is a sensible approach to legislation that will reflect discussion in this and the other House and in the newspapers about how we do our business. I appeal to the Minister to accept this amendment in the spirit it is offered to let ordinary people see we are thinking of them.

Senator Ciaran Cannon: I am concerned that every amendment proposed by us and Senator O'Toole will be fobbed off with the suggestion that it will be covered when the consolidation legislation is introduced. This is an opportunity to send out a strong signal. It gives discretion to a court to apply a fine of up to €10,000, it need not be the entire €10,000. The Minister should take this on board and send out the right signal. There are constant calls for co-operation from the Opposition. This is such an occasion and the Minister should reciprocate.

Deputy Mary Coughlan: The court can compel. If I was to accept the amendment, this section would contain provision for a fine of up to €10,000 while the next would allow for a fine of €1,900. We would have different amounts in different parts of the Companies Act. We would end up picking and choosing which fine would be €1,900 and which would be €10,000. On that basis I would prefer to wait for the consolidation legislation.

I am not here to take away from the strong message that is coming from this House and the Dáil that the legislation should be so robust that the Director of Corporate Enforcement will have the legislative power to deal with the issues that exist. That is what we want. We want to send a clear signal that if people do not co-operate with the director, the full rigours of the law will be used.

[Deputy Mary Coughlan.]

That must be balanced with the argument that we have so many good companies here because it is easy to set up, we support companies quickly and we do not have the same bureaucracy as other European companies. My Portuguese counterpart indicated that it is possible to set up a company there and be at work within 24 hours but that is too quick. When the Director of Corporate Enforcement insists he should have access, it should be given. The legislative measures are such that he can revert to the courts if needs be. In the new legislation, I would prefer not to have subsections coming in willy-nilly that do not give an overarching view of where we want our company law to be.

I am not nit-picking or saying I am not prepared to listen to what the Opposition has to say. Anyone who knows me knows I accept different perspectives. On this occasion, I feel that if €10,000 is predetermined in this section, I would have to reconsider all of the other fines in the companies legislation, which is what I will do in the consolidation Bill, which is why I prefer to wait.

Senator Joe O'Toole: I understand that but I sat in this seat in 1990 when the original legislation was passed. We had many discussions on this issue and on the importance of having a consolidated Bill. Then we went away for the summer holidays with our buckets and spades and suddenly the beef industry fell apart. The then Government needed to act urgently to deal with that and both Houses reconvened to pass one or two parts of that legislation — I cannot recall which it was but the Minister's adviser will be able to tell her. I can quote the Minister chapter and verse on when we have enacted parts of legislation on a number of occasions.

The answer to the Minister's first point is that we want a clear message to be given. I advise her that I am not a member of the Opposition, I am one of the Independent Members. I am as likely to vote for the Government, as Fine Gael will know, on any issue as it arises. I consider the issues and deal with them as I find them.

This provision does not amount to additional regulation. It is a red herring to suggest it does and I would like the Minister to acknowledge that point. The regulation is in place. This provision simply deals with the level of fine for not complying with the regulation. That is all we are talking about in this instance.

In terms of the difficulty of having one figure for one and no figure for another, we will do a deal with the Minister, if she accepts this amendment, all the others can be introduced on Report Stage. It is very simple, we can introduce them all next week. There is no difficulty about doing that. That is the way we should approach this issue at this stage. There is no doubt we can deal with issues on Report Stage.

The Minister will not have heard what I said here this morning or yesterday morning. All of us as public representatives should be dealing with these types of issues, whether they relate to the National Asset Management Agency, the Director of Corporate Enforcement or directors' compliance statements, in a co-ordinated and co-operative manner to move matters forward. I want us to examine each such issue and consider how we can strengthen the legislation underpinning it. The Minister will get no marks for citing St. Augustine's line in response, namely, that a proposal might be a good idea but it will not be acted on yet, it will be done next year when all the other matters are being dealt with. I guarantee that we will not have the consolidated Bill before next summer. It is too big to be ready by then, although I agree with the Minister it is needed. I will cite a minor example that illustrates the need for it.

When I checked which director is referred to in the section, whether it was the Director of Corporate Enforcement, the Director of Public Prosecutions or both of them, I could not find the definition in the 2003 Act, to which the section refers, or in the 1990 Act. I know the definition is included in the legislation and I am not suggesting it is not. I accept the need for a consolidated Bill and I accept the need for this Bill. There is a \$64 question in this respect.

This legislation is being introduced now because the Minister thought it was important. There is nothing in it that could not be deferred until the introduction of a consolidated Bill, except the Minister prioritised this Bill, rightly, but it is all part of what will have to be dealt with again in the new Bill next year. This will have to be encompassed into the new companies legislation. In this legislation the Minister is changing the 1990 Act, the 2003 Act and the various other Acts. This will have to be done again next spring. If that is the case, what is the difficulty about accepting the amendment proposed by Senator Cannon? That is the reality. The Minister's arguments do not hold water. I promise her I am saying this for her own good.

Deputy Mary Coughlan: Are you?

Senator Joe O'Toole: There are Brownie points to be won by the Minister in doing this. She is getting enough hassle knocking on doors around the country. She should put something on the credit side, namely, that we will not stand for nonsense. If I was arguing against the Minister on a doorstep and there was a proposal before her to deal with bankers and other people who will not supply information by imposing a €10,000 fine on them, and if she started to explain that the Government will do that next year, I would say to her, let us do this, this is a good decision and it should be implemented now. It is one decision and then this would be done.

Senator Liam Twomey: Some of the Minister's comments reinforce the need for this measure. She said it is easy to set up a company in Ireland. That is beneficial for people who are engaged in business. The majority of the companies that have been set up operate legitimately and simply want to get on with doing their work within the business community. However, where there are a few rogue companies, it is important provision is made for putting in place fines to address the nature of the offence. The Minister should take on board this amendment.

I was not joking when I made an earlier comment about fishing. If a fisherman catches a few extra fish or some species that is over the quota, he or she could easily be fined up to €10,000. The Minister is well aware that the Government passed legislation to imprison fishermen for such an offence, yet she is making an excuse to allow rogue companies not to be fined on the basis that she will do something about it next year. That is ridiculous.

Deputy Mary Coughlan: I heard Senator O'Toole talk about getting his buckets and spades, but if I recall correctly he got off of a very nice boat on the Shannon and no buckets and spades were needed there.

Senator Joe O'Toole: I did not have it at the time so I was stuck with the buckets and spades.

Deputy Mary Coughlan: Account needs to be taken of the all-encompassing legislation in this respect. Section 194 of the principal Act provides that it is the duty of a director to disclose his interests in contracts made by the company. If I was to accept this amendment, we would have subsections (5A) and (5B). This provides that if a company fails to comply with a subsection, the company and every officer of the company who is in default shall be guilty of an offence and liable to a fine not exceeding €1,904.61, and if any inspection of production required thereunder is refused, the court may, by order, compel an immediate inspection or production. To that would be added the proposed subsection (5B), which provides that "Failure to comply with subsection (5A) is an offence and a company shall be liable to a fine not exceeding €10,000." The next section, section 6, provides that any director who fails to comply with this section shall be guilty of an offence and liable to a fine not exceeding €1,904.61. This would mean that failure by a company to comply would carry a fine of €1,900, failure to comply with the same provision would carry a fine of €10,000 and failure to comply with it again would carry a fine of €1,900. It is the same offence, but acceptance of this amendment would mean it would carry two fines, one of €1,900 and one of €10,000. If I was to accept the amendment, I would be talking against myself on two occasions, as it were. Two fines would apply for the

[Deputy Mary Coughlan.]

same crime. It is on that basis this amendment proposed by Fine Gael cannot be accepted. In this legislation the principal Act is being amended by inserting the subsection as set out in the section. Fine Gael is seeking an amendment of the section that provides for the amendment of the principal Act, which provides for a fine of €1,900 for one part of the provision, in terms of proposing a fine of €10,000 for the same part of the provision. On that basis, I am not in a position to accept the amendment.

Senator Liam Twomey: I am confused. The Minister has given two fines for the same crime.

Deputy Mary Coughlan: Yes. The Companies Act is in place. This section amends section 194 of the principal Act by inserting a new subsection after subsection (5), namely subsection (5A), which is set out in the section. It provides that “A company shall, if required by the Director, produce to the Director for inspection the book kept by it in accordance with subsection (5)(a) [which refers to the principal Act] and shall give the Director such facilities for inspecting and taking copies of the contents of the book as the Director may require.”

The Deputy’s amendment would involve a further amendment of that section of the principal Act, creating a further subsection. If one reads the entire section, it provides that any director who fails to comply with the section shall be guilty of an offence liable to a fine not exceeding €1,904. Taking account of the principal Act, if I was to accept what the Fine Gael amendment proposes, we would have two fines for the same crime. That is the issue. We are amending the principal Act, which refers specifically to a fine of €1,900. The problem is the Deputy would need the book I have to check through all this legislation.

Senator Liam Twomey: I am trying to work out whether we have two fines for the same crime or two different crimes.

Deputy Mary Coughlan: Two fines for the same crime.

Senator Joe O’Toole: The point at issue is clear. We should be increasing the fines in regard to these issues. If this is not the correct way to do it, we should be doing it the right way.

We listened to the contributions on Second Stage. Senator Callely spoke about various problems with laws and asked if this legislation could provide for this, that or the other. I will call for a vote on every section. I want Members on the Government side to walk through the lobbies in respect of the sections of this Bill so that the next time I have to listen to them give out about the non-compliance of bankers and company directors, I will be able to say they had an opportunity to do something about that. When other legislation was debated in this House, we were too soft on these issues. It will not make a great deal of difference to the Tánaiste, but for those of us who are working on making this have more impact and to give a message to people, this is important. The Tánaiste has made up her mind.

Deputy Mary Coughlan: It is inappropriate to say I or any Member of this House does not want to give a clear message. I want to do it as much as the Members here. That is why I introduced this legislation. We will have the “blacks” with everything written down and I am prepared to accept exactly what everybody is saying. I can give an undertaking to the House that we need to examine the fines and ensure the penalty reflects the crime, which Senator Twomey talked about. It is my intention to increase fines. My preferred option is to do it within the new, consolidated legislation. It might take away from the fact that the legislation coming very quickly is very complex and difficult. I appreciate what Fine Gael Members are trying to say, that we want to give a very clear, strong signal. I am prepared to give that strong signal.

Senator Ciaran Cannon: But not now.

Deputy Mary Coughlan: It cannot be done now. I could not accept the amendment as it is written because from a parliamentary drafting perspective it would be contradictory to what we are trying to do. I undertake to increase fines in the context of the new legislation.

Senator Ciaran Cannon: By her own admission the Tánaiste is highlighting the urgency of this legislation. It is urgent because it serves to give the Director of Corporate Enforcement the powers he needs to police rogue directors and to engender real confidence in the public that we are tackling this issue head on. Is there any mechanism whereby within this legislation we can uniformly apply that new fine across all sections for ease of application and, as Senators O'Toole and Twomey said, to send out a strong, clear and unequivocal signal to the public that we are taking this issue seriously? This is urgent legislation. If it were not, we would not be here but would wait for it to come in a year's time. The urgency attaching to this legislation requires that the penalties it provides for are appropriate and serve as a sufficient deterrent to stamp out the kind of activity we have seen in recent years.

Deputy Mary Coughlan: Four hundred sections of company law have offences attached to them, so we would have to go through 400 sections of Companies Acts to do this. I do not have the wherewithal to go through 400 sections of legislation. It would delay my taking this legislation any further, which none of the Senators wants to happen. I will undertake to increase the fines. We will have a further discussion on Report Stage but I am not in a position to accept the proposal now.

Amendment put.

The Committee divided: Tá, 14; Níl, 22.

Tá

Bradford, Paul.
Buttimer, Jerry.
Cannon, Ciaran.
Coughlan, Paul.
Cummins, Maurice.
Fitzgerald, Frances.
Hannigan, Dominic.

McCarthy, Michael.
McFadden, Nicky.
Mullen, Rónán.
Norris, David.
O'Toole, Joe.
Ross, Shane.
Twomey, Liam.

Níl

Brady, Martin.
Butler, Larry.
Callely, Ivor.
Carty, John.
Cassidy, Donie.
Corrigan, Maria.
Daly, Mark.
Ellis, John.
Feeney, Geraldine.
Glynn, Camillus.
Leyden, Terry.

MacSharry, Marc.
McDonald, Lisa.
Ó Domhnaill, Brian.
Ó Murchú, Labhrás.
O'Brien, Francis.
O'Donovan, Denis.
Ormonde, Ann.
Phelan, Kieran.
Quinn, Feargal.
Walsh, Jim.
White, Mary M.

Tellers: Tá, Senators Maurice Cummins and Joe O'Toole; Níl, Senators Camillus Glynn and Kieran Phelan.

Amendment declared lost.

Question proposed: "That section 2 stand part of the Bill."

Senator David Norris: I apologise to the Minister for this small intervention but I was at the Oireachtas Joint Committee on Foreign Affairs and heard the vote. In regard to the section and the vote we just had, will the Minister outline why, for example, none of the principals in the present rather awkward financial situation has been addressed under the existing legislation dealing with reckless trading? I would have thought it perfectly obvious that directors of companies would be addressed. I have been a director of several companies.

The country is going down the Swanee but, as far as I can see, nobody has been prosecuted for reckless trading. Surely the Government should make some statement as to why, when the welfare of the country is being prejudiced, none of the principals involved has been approached over the question of reckless trading. I would have thought it would have been an obvious thing to do.

Deputy Mary Coughlan: The section relates to the role of company directors. Reckless trading has its own parameters and determinations. As I indicated, the reason I have introduced this legislation is to supplement some of the existing legislative powers of the Office of the Director of Corporate Enforcement. I asked the Director of Corporate Enforcement whether the legislation was robust enough and he said it was and that there was more than adequate provision. However, on the basis of his current experience, his view was that additional legislative measures needed to be introduced.

As the Senator knows, reckless trading has its own configurations. I do not want to damage, in any way, ongoing investigative work which has not been brought to completion, nor, I am sure, does anybody in this House. No one in either House wants to say anything that would disadvantage or take from the independent work being carried out by the Director of Corporate Enforcement.

Senator David Norris: I thank the Minister for her response because I somewhat jumped the situation. I will have to go back to the Oireachtas Joint Committee on Foreign Affairs but I would like to signal to the Government that many people would be concerned. I was director, chairman and chief executive of two small companies and I was very conscious that if one behaved in a certain way, one would be in danger of prosecution for reckless trading, although not in any sinister way. I signal to the Government that people are watching to see if directors can get away without being prosecuted for reckless trading. This is fairly clear and I do not think it requires very long drawn out investigation to do people for reckless trading as that kind of thing becomes clear fairly quickly. I thank the Minister for her answer and I will read the record of the House carefully to see if anything further emerges. I indicated I would be speaking at the Joint Committee on Foreign Affairs and I ask to be excused.

Section 2 agreed to.

Section 3 agreed to.

SECTION 4.

An Cathaoirleach: Amendments Nos. 2 to 9, inclusive, are cognate and may be discussed together by agreement.

Senator Ciaran Cannon: I move amendment No. 2:

In page 4, lines 20 and 21, to delete “books or documents” and substitute “classes of documents”.

As the Cathaoirleach has pointed out, all these amendments seek to achieve the same outcome, that being to formalise and to clarify an existing power available to the director by providing that the director shall specify the books or documents to be produced where and when. The precise reference to books or documents as opposed to classes of documents — as suggested by Fine Gael — may hinder the director in that the person to whom a direction is made may require the director to identify a particular book or document as distinct from just identifying a class or a type of document. Leaving the director open to such a challenge carries some risk in our view and most certainly lessens his powers of seizure.

Deputy Mary Coughlan: I am very interested in the explanation because I was trying to understand where the Senator was coming from. Under the companies legislation as it stands, the definitions and their interpretations compose quite a suite. The definition states, “Books and documents and books or documents include accounts, deeds, writings and records made in any other manner”. It is covered within the definitions and that is the interpretation of the definition. I wonder why the Senator is of the view that we need to introduce classes of documents because the interpretation of a class would actually be a subsection so therefore it is encompassed within the existing interpretation and the definition. The view would be that it would not in any way hinder the capacity of the director.

Senator Joe O’Toole: The Minister is absolutely correct in the point she makes about the broadness of the interpretation. I have been on the receiving end of this issue where lawyers just read exactly what the Minister has read out and which is certainly broad enough. However, there is a suggestion there that the director has to know what he is looking for, if the Minister understands me. The reference to classes of document means any document which relates to rather than having to ask for a particular one. This is the intention of this amendment. I agree with the Minister’s interpretation or explanation of the term “books and documents” in the legislation as it stands and that it is perfectly broad enough and I recall that being broadened out.

I will give the Minister an example. The lawyers will just look at it and say, “What book has he asked for?”, or “How did he describe the book?” or “Can you describe the book?”, “Is it a particular book or is it any book?”. If he fails to describe it in a way that can clearly identify it then one could argue it does not have to be presented. I think it allows the director to do his job more effectively. I agree with the Minister’s view that it is not about broadening it but rather what it is called.

What does the director write to the company? What does he put in the body of the letter? This is the significant issue. I may not have convinced the Minister the last time but every letter like this is perused, examined and dealt with by the lawyers. This is not a letter to the directors who deal with it and reply to it; that is not what happens. It goes straight to the lawyers so the director is actually talking to Arthur Cox or McCann FitzGerald or Matheson Ormsby Prentice and that is where it is dealt with and their view will be only to give what one must give which does not meet the spirit of the legislation. In that sense this is a helpful amendment.

Deputy Mary Coughlan: All the amendments and the entire Bill have been proofed by the Director of Corporate Enforcement and he has indicated to me that the phrase, “books or documents” is more than adequate to deal with his needs. Section 19(1) of the Companies Act 1990 states:

The Minister may, subject to *subsection (2)*, give directions to any body requiring the body, . . . at such time and place as may be specified in the directions, to produce such books or documents as may be so specified...

[Deputy Mary Coughlan.]

This means the director can and may — not shall — make direction to any body as to what he wants to access. By saying it is just books or documents and given the interpretation in place and given the powers he has under section 19, his view is that he has more than adequate recourse within the law to get anything that is necessary and that “classes of books and documents” are a subsection of “books and documents”. I would be assured on the basis of what the director has said to me and to the officials, that he has adequate recourse to get whatever is needed and he can make direction as well under section 19 and this will be augmented by this amending Bill. I hope this will reassure the House that in the view of the director he is not curtailed in any way in gaining access to the information.

Senator Ciaran Cannon: If the Minister is content the definition of “books and documents” does not in any way impede or hinder the director in carrying out his work and if the director and his office have looked at this legislation and he shares that opinion then we are content to withdraw those amendments.

Amendment, by leave, withdrawn.

Amendments Nos. 3 to 9, inclusive, not moved.

Question proposed: “That section 4 stand part of the Bill.”

Senator Joe O’Toole: On a point of clarification, these additional powers which the Minister has given to the Director of Corporate Enforcement, are general powers and not just to do with loans. Do I take it they just extend his powers for any of his work?

Deputy Mary Coughlan: Yes.

Senator Joe O’Toole: I thank the Minister.

Question put and agreed to.

SECTION 5.

Senator Ciaran Cannon: I move amendment No. 10:

In page 5, to delete lines 19 to 38.

The Minister accused me of being somewhat exuberant earlier in my pursuit of——

Deputy Mary Coughlan: Is it my turn now?

Senator Ciaran Cannon: ——wayward company directors. We are trying to strike a balance here between giving the director the powers he requires to do his job properly and ensuring we do not unnecessarily obstruct the entrepreneurial effort of thousands of Irish business people and that is exactly how the second part of that balance is being struck with this amendment.

The proposed extended power of seizure at section 2(a) affords the director or his staff a very broad power to seize documents. The suggested power would allow an officer to form a view that a filing cabinet, for example, might contain material covered by the warrant and he would be empowered by this legislation to take that whole filing cabinet away to his office and to read every single item in it at his leisure and come to a decision at some point as to whether the material was incriminating in any way.

Apart entirely from the acceptability of seizing such uncertain documents, it seems the object of this subsection is to facilitate a fairly leisurely review. Any execution of a warrant should be resourced, comprehensive and exact. The officer should be able to come to a view on the spot, even if the execution of the warrant takes some days, but the notion of the director or his or her staff “taking homework home with them” is suggestive of procrastination and even idleness. The only limitation on the power conferred under section 2A obliges the officer to carry out the determination or separation of documents as soon as is reasonably practicable. Given what we know to be the extremely sluggish approach of law enforcement or regulatory authorities in Ireland and the amount of documentation that might lawfully be seized under this extended power of seizure, the effect of this section would be possibly to paralyse completely the company in respect of which the material was seized.

The Director of Corporate Enforcement and his or her staff, I argue, have little or no experience of running a company or business. Every company in this particularly difficult environment needs to have the flexibility to adapt its market forces and be able to move very quickly. To have a considerable proportion of a company’s documentation taken away on the pretence that perhaps one or two pages might be incriminating we believe to be somewhat too punitive. We ask that this whole section be re-examined for the Bill to be more efficient, while allowing that the director needs adequate powers of seizure. However, it needs to be less cumbersome, with fewer opportunities for the long deliberations that are commonplace in these types of investigations. I look forward to the Minister’s response.

Senator Joe O’Toole: I prefer Fine Gael when it is in a more exuberant mood.

I do not see myself as a Member of the Opposition, but take each issue as I find it. In this case I find myself very firmly on the side of the Government. Whereas I take the point Senator Cannon made as regards the importance of them, I certainly do not want people prohibited from diligently doing their work. Nonetheless, the words “reasonably practicable” are there, as are the courts, and nothing here prevents a person having access to them while the Director of Corporate Enforcement is dealing with them.

More often than not, as Senator Norris has pointed out, the Director of Corporate Enforcement suffers from allegations about not moving in at all, not having sufficient powers or failing to move matters onwards. I believe this is reasonable and reflects what people want. However, if it turned out that in its application, some type of obstacle or block was to appear as regards companies continuing to trade or advance their business, that would be a serious issue. Certainly, a point has been raised in that regard and perhaps there might be some method for reviewing that. My view is that the present Director of Corporate Enforcement is absolutely diligent about his responsibilities and would share a very strong concern as regards the importance of companies being able to continue trading and do their business. There is no question or doubt in my mind whatever about that. I have full confidence in him, but I agree with Senator Cannon to the effect that this cannot be dealt with on the basis of the current director’s *modus operandi* and one does not know how any future director might do his or her business. The additional power being given to the director is important and I support that section as it stands. However, I should like to be reassured that the issues raised by Senator Cannon would not arise.

Senator Feargal Quinn: I have listened very carefully to Senators Cannon and O’Toole. It seems that Senator Cannon has a point: if the Director of Corporate Enforcement is seeking a particular document, which is in a filing cabinet, it would appear on the basis of this that he or she has the right take away the whole filing cabinet. I know there are protections in place and I am not sure what the answer is, but it appears to place restraints on a company’s ability to

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continue trading on that basis. I take the point that both Senators have made, that we are not talking about the present director. We are putting in place legislation that I hope will last and which is for the protection of the clients of the particular company. I want to hear from the Tánaiste as regards this, because I should like my mind to be put at rest as I am concerned over it.

Deputy Mary Coughlan: Perhaps it might be helpful to explain the entire purpose of the proposed subsection 2A. The Director of Corporate Enforcement or an officer authorised by him or her may, when conducting a search under a warrant, find something which he or she believes contains material information. However, it may prove impractical to form a decision on the spot as to whether it can be seized under the warrant. Therefore, the Bill allows him or her to take control of that material and remove it to another place where he or she will make a determination about its relevance to the matters being investigated.

This type of situation would typically arise where the volume of the material on a premises is enormous. Likewise, vast amounts of information may be stored on a computer and an examination of this, to determine its relevance, could necessarily take some time. This might be best undertaken away from the premises of the company under investigation. I am satisfied this provision is an important element of the strengthening of the ODCE's power of search and seizure. I consider it to be a reasonable and proportionate provision. I am aware that fears have been expressed that the extended powers could, in extreme cases, impair the operation of a company whose premises are being searched, for example, where key information is seized by the ODCE. However, I point out that the powers being given to the ODCE are not unfettered. There are appropriate balancing provisions and protections for parties whose records are seized, both in the Bill and within the existing legislation, for example, section 20 as amended and sections 21 and 23, as amended. The ODCE must make provision to allow reasonable access — I believe that is the issue Senator Cannon has raised — by a company to its records during that period of examination. Privileged material is also protected, and where confidential information is seized, the ODCE must maintain that confidentiality.

I am satisfied that every effort is being made to ensure the provision will not threaten the ability of a company to operate, and on that basis, I should like to assure the House that the concerns, although doubtless real, should not be such as to lead Members to believe the powers of the ODCE are unfettered. We have safeguards in place to ensure a company, during an investigation, may continue to trade and have access to relevant information.

Senator Ciaran Cannon: I thank the Minister for her response. The amendment we are tabling places an onus on the Director of Corporate Enforcement and his or her staff to be exact and definite in establishing what types of documents they need to remove from a company's premises. They have powers of separation under which they may enter a premises and deem which documents are pertinent to the case they are making. I cannot understand why that separation mechanism may not occur on the premises and why documents need to be taken away.

Could the Minister confirm whether, when such documents are removed, there is any finite time limit imposed on the director within which to return them to the owner, thus allowing a company, perhaps, to restart trading? Matters are overweighted in favour of the director rather than those thousands of companies which operate every day on a legitimate basis.

Deputy Mary Coughlan: The director will be able to make a determination in normal circumstances.

Senator Ciaran Cannon: On the premises.

Deputy Mary Coughlan: That is correct. Naturally, where there are enormous amounts of information, it might be considered best to take the information away. If a person is in a trading situation the last thing he or she wants to see on the premises is the staff of the ODCE for three or four months, when it might, in fact, be best to have that information off site. In normal circumstances the director will make his or her determination. In a situation, however, where vast amounts of material need to be reviewed, then information would be taken off site, but only in those circumstances. I have been around a long time and I know that one person's determination of what "as soon as practicable" means will vary from another. One person will see it as being instant and someone else will take it to mean somewhat longer. I appreciate the Cathaoirleach has a further amendment to deal with, on time limits, but it should be emphasised we do not want to tie someone's hands to the extent he or she has to access the courts, which could mean, in effect, going back through the entire process and stalling an investigation. At the same time, one does not want to see people stopped from trading normally.

It is important to achieve balance. This is as balanced as can be, given that the section deals with situations in which one does not know what one might meet. An examination could be very short with a prompt determination. On the other hand, there could be a huge investigation. We want to ensure that any investigation that takes place is right and for everyone's benefit. It must protect the reputation of the Director of Corporate Enforcement and for the benefit of a person being investigated there must be fair procedures.

On that basis, I am convinced the legislation to amend section 20 of the 1990 Act is more than adequate.

Senator Joe O'Toole: In an attempt to be helpful to Senator Cannon, I ask the Minister to clarify the following point. If a company felt it was being unfairly dealt with and that what was happening was not practicable, what recourse would be available to it? It is my understanding that the company could seek a mandamus injunction requiring the Director of Corporate Enforcement to return the documentation. In that case, the director would have to show cause that he was acting in a reasonable and practicable manner. If a company was unhappy, it could seek a mandamus injunction in the courts. The director would then be required to show he was acting reasonably and practicably. Would a company have that recourse, in the extreme?

Deputy Mary Coughlan: That is correct. In an extreme case the matter would be referred back to the courts.

Amendment, by leave, withdrawn.

Senator Ciaran Cannon: I move amendment No. 11:

In page 6, after line 47, to insert the following:

“(vii) the constitutional rights of the company or the holder of the information,

and

(viii) the rights of any person, who is the subject of the information, under the Data Protection Acts 1988 to 2003.”.

This amendment attempts to award some protection to company directors, to the entity that is the company itself and to any person whose personal information might be contained in company records. It seeks to protect the rights of a company or a holder of information so that

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these rights are not abused during the document seizure process. Subparagraph (viii) seeks to protect the rights of any person who is the subject of the information being seized.

Is there sufficient protection in the Bill for the company and for people whose data may be stored within company records?

Deputy Mary Coughlan: I am glad to hear Senator Cannon explain the reasoning behind this amendment. Subsection (vii) of the amendment relates to constitutional rights. The director is obliged at all times to operate within constitutional norms. Proceedings permitted by Acts of the Oireachtas are to be conducted within the principles of constitutional justice and any departure from these principles would be restrained and corrected by the courts.

The constitutional rights of a person who is the subject of the relevant information are safeguarded, as always. On that basis, it would not be appropriate to make specific provision for constitutional rights in this case. Anyone who is given powers such as those granted by this legislation must operate within constitutional norms.

Senator Joe O'Toole: I would like to hear the basis of Senator Cannon's amendment. I am always reluctant to make references to the Constitution in legislation. All legislation must be constitutional. Was a particular issue in this regard brought to Senator Cannon's notice? I have spoken on this issue several times in the House. If one makes reference to constitutional rights in legislation one must do so in all legislation. It is assumed the law of the land must be constitutional. The constitutionality of legislation can be tested in the Supreme Court.

Does Senator Cannon know of some side issue relating to constitutionality? If there is a worry in this regard the Bill should be tested and tried. Is there a question of constitutionality in an earlier part of section 5? If so, we should hear about it. I have reservations about making reference to constitutional rights without setting the reference in a broader context.

Senator Ciaran Cannon: Subparagraph (viii) of the amendment holds more importance for me. In the event that personal data are stored within company records, the Data Protection Acts should take precedence over this legislation. That is the most important provision of the amendment. I would like clarification on that.

Deputy Mary Coughlan: Senator Cannon is concerned about the possibility of inadvertent conflict between this legislation and the Data Protection Acts. I believe data protection legislation should not prevent access to information that is expressly provided for within the Companies Acts.

I will have this matter examined and I will bring it back on Report Stage.

Senator Ciaran Cannon: I thank the Minister.

Deputy Mary Coughlan: That is me being nice. I told the Senator I could be.

Senator Ciaran Cannon: I never said the Minister was not nice.

An Cathaoirleach: That is what we like to see in this House.

Amendment, by leave, withdrawn.

An Cathaoirleach: Amendments Nos. 12 and 13 are related and may be discussed together, with the agreement of the House. Is that agreed? Agreed.

Senator Ciaran Cannon: I move amendment No. 12:

In page 8, to delete lines 3 to 20 and substitute the following:

“(2F) Where an extended power of seizure is exercised, it shall be the duty of the officer—

(a) to carry out the determination or separation concerned as soon as practicable after its exercise, and in any event, within 3 months or such further period as is permitted by the Court, and

(b) as respect anything seized in exercise of the power found not to be material information or, as the case may be, anything separated from another thing in exercise of the power that is not material information, to return, as soon as practicable after that finding or separation, and in any event, within 7 days after the finding or separation, or such further period as is permitted by the Court, the thing to its owner or the person appearing to the officer to be lawfully entitled to the custody or possession of it.

(2G) Where an extended power of seizure is exercised and pending the determination or separation referred to in subsection (2F), the Court may give such directions concerning that which has been seized as the Court considers appropriate including, without prejudice to the generality of the foregoing, directions as to—

(a) the determination or separation, prior to the 3 month period referred to at subsection (2F), of all or part of that which has been seized,

(b) the return, prior to determination or separation, of all or part of that which has been seized, upon such terms as seem appropriate to the Court.”.

The phrase “as far as is reasonably practicable” is dotted throughout legislation. There are as many interpretations of it as there are instances of it. I have serious concerns that the power granted in section 5 is weighted too much in favour of the Director of Corporate Enforcement. Most regulatory and law enforcement authorities have taken an extremely sluggish approach. The Minister said a company could be shut down for months on end if a significant amount of information needed to be seized. The effect of the foregoing sections would be to paralyse a company from which material was seized.

In most instances it should be possible for an officer to carry out an inspection and separation on a company's premises. The purpose of this amendment is to protect the legitimate rights of a company. There should be a requirement that the determination or separation referred to in subsection (2F) of the 1990 Act be carried out on the spot or, if that is not possible, within a fixed period. I suggest two to three months.

In most instances, that would be more than enough time to carry out the separation of documents and to return those documents not pertinent to the investigation. Once the separation of documents has been carried out one can begin indepth examination of the pertinent documents.

In addition to these requirements, there ought to be power to apply to the High Court for the immediate return of documentation in appropriate circumstances. Senator O'Toole mentioned earlier that this is already possible. Can the Minister confirm that this is the case and that application to the High Court would not be an onerous procedure for company directors?

The Minister spoke of the need to strike a balance. In this instance, the balance is weighted too much in favour of the Director of Corporate Enforcement. A period “as far as reasonably practicable” could stretch for months if not years. Allowing the director power to, effectively,

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shut down a company places too onerous a burden on company directors who, in the main, act in very good faith at all times.

Senator Larry Butler: Could the Minister place a timeframe on this provision? Senator Cannon's approach is reasonable. This provision could cause great difficulties for companies. A timeframe would help.

Senator Feargal Quinn: As I remarked on Second Stage, the concern of everyone is to ensure and enable business to operate and I realise the Tánaiste's heart is behind that concern. I cannot improve on the words of Senator Cannon. There is great doubt about the phrase "as soon as practicable" and it seems rather vague. I realise it is dotted throughout legislation but it is essential we have some control on a future director. The present situation is not in question but we wish to ensure Ireland is an attractive place to open, encourage and operate business. There is a danger if we put in place constraints which at some point in future could stifle the ability of a given company to operate. This may occur for very valid reasons but also perhaps for reasons not so valid and on that basis there should be some time constraint. The time constraints included in Senator Cannon's amendment are worthy of consideration.

Senator Joe O'Toole: It is worth teasing out the matter. I refer to the recent Northern Bank money laundering case. It took a team of 26 gardaí several months to examine one series of documents on computer and on file. They had to go through every document and that was outlined in the court.

One side of the argument is related to the length of time it takes to go through computerised information because one must check what is on the hard disk and so forth. On the other hand, if someone needed to search a drawer in a filing cabinet and the Office of the Director of Corporate Enforcement was examining the matter one week, one month or one year later then one would recognise that such a situation is hardly practicable. The legislation must cover such extreme instances. The only way to do this is a form of words which requires judgment and the only judgment that covers the two areas is the phrase "reasonably practicable". In my time here I have been unable to come up with any other phrase.

Let us consider the upside and down side. The down side is that one person's "reasonably practicable" is another's utter dismay. Therefore, one must find someone to mediate and to make a call on it. Unless the Minister establishes some in between, mediation, arbitration or determination process, the normal way of dealing with an interpretation of the law is to go to the courts. That would take the form of either a judicial review or mandamus injunction to establish if one is being reasonably practicable. The arguments put by Senators Cannon, Butler and others are spot on and no one could argue with them. However, one must cover both ends of the spectrum.

Let us remember the scene outside the bank on St. Stephen's Green two months ago. The Garda carted out truckloads of material. I do not know how long would be considered reasonably practicable to deal with all that documentation and associated material on computers. However, let us park that for one moment. Let us suppose there is a court case in which the whole world is watching to see what we are doing about the people who wrecked the country and so on — we know the speeches. How would Joe Duffy deal with the matter on "Liveline" if it turned out we passed legislation which required the Director of Corporate Enforcement to fill up the trucks again and cart everything back to St. Stephen's Green two weeks later, despite the fact he did not trawl through all the material? We would all appear pretty stupid. These are the two extremes and there is no answer to the matter because the arguments put by my colleagues are absolutely clear and true. This is an old story and if people do not work

within the spirit of the act then one must go to court. That applies either to the person who owns documents or the person who seizes documents, namely, the Director of Corporate Enforcement. There is no other way to deal with this unless one creates something such as a Labour Court style body for high finance.

Deputy Mary Coughlan: We will have none of them.

Senator Joe O'Toole: From experience, I do not believe that would quicken matters in any way. I would be very open to a change if change were necessary to get the right balance. However, to get the right balance one must go to the middle and the only middle ground I can see is the phrase "reasonably practicable". If there is another form of words which could deal with both ends of the argument we should examine it. I seek the right balance and I fully agree with the arguments made by my colleagues. If someone is playing the old soldier and using the legislation to block people from doing their daily work then that is not what we have in mind. It is not the intention of the legislation and should not be allowed. On the other hand if people try to hide material because of the legislation and because they know there is a time limit before which they could be checked then it does not meet our cause either. The only way is for people to act reasonably in the spirit of the law and the only way to judge that, generally speaking, is in the courts. There are other ways but lawyers would never allow us to do so.

Deputy Mary Coughlan: I thanks the Senators for their contributions. The amendments I propose in the legislation would allow for the imposition of any necessary timeline restrictions through regulating making powers being presented to the Minister. That is contained in section 5(2G). The overall thrust and the content of section 20 of the Companies Acts 1990 through to section 5 of this Bill also contains measures to allow for the involvement of the court. Therefore, I cannot accept the amendment as I wish to continue to have access to the court as part of the legislation. That being said there has been a reasonable thrust to the entire discussion to the effect that "practicable" is something that could be finite or otherwise. On that basis I call for consideration to be given for me to reflect on this and I will revert on Report Stage on the basis of the timeframe.

Senator Ciaran Cannon: I thank the Minister for her offer of reflection and we look forward to the result of her deliberations.

Amendment, by leave, withdrawn.

Amendment No. 13 not moved.

Section 5 agreed to.

SECTION 6.

Government amendment No. 14:

In page 9, to delete lines 28 to 30, and substitute the following:

"shall (unless the person has, within the period subsequently mentioned in this subsection, been served with notice of an application under subsection (1D) in relation to the matter concerned) apply to the court for a determination as to whether the information is privileged legal material and an application under this subsection shall be made within 7 days after the disclosure or the taking of possession."

Deputy Mary Coughlan: This proposed amendment seeks to avoid unnecessary duplication that could be caused by two applications being made to the court arising out of the same

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circumstances. As currently worded, the Bill provided that the ODCE, Office of the Director of Corporate Enforcement, or court appointed investigator must apply to court for a determination on whether material seized was professionally privileged. The company under investigation or a person from whom books and documents have been taken may, if they wish, apply. The amendment to the Bill provides that where the ODCE or court appointed investigator is aware that the company or person has already made a relevant application to court there is no need to file a separate application.

Senator Joe O'Toole: This is very sensible and we should support it. This is an example of where the pendulum shifts to require the Director of Corporate Enforcement to go to court. This balance is present in the Bill, which I am sure he finds something of a pain at times. However, we have inserted this protection and it is quite correct to do so.

Amendment agreed to.

Section 6, as amended, agreed to.

SECTION 7.

Question proposed: "That section 7 stand part of the Bill."

Senator Ciaran Cannon: We are about trying to strike a balance. We oppose the section and believe it would act as a major disincentive for people to get involved in entrepreneurial effort and a major disincentive for people to become directors of companies. The section, which amends section 40 of the Companies Act 1990, would appear to provide for directors to be held or deemed to have committed criminal offences regardless of whether they knew or had the belief that unauthorised transactions were being entered into. We have serious reservations about whether it is possible to impose guilt by association. Is that fair or rational? My wife and I are co-directors of a small company in Galway and I hope that neither my wife nor I would carry out any actions that would bring the company into disrepute.

Deputy Mary Coughlan: I would expect not.

Senator Ciaran Cannon: However, if I were a director of a company with some 20 or 30 other co-directors, to hold me personally responsible for every action of every other director would place an unnecessary, unfair and unjust burden on me as a director. If that provision was in place and this section of the legislation was enacted, I would seriously question whether anybody would take the risk of being guilty by association. The Minister has been co-operative and helpful and has agreed to re-examine certain sections of the legislation. I hope she takes the same approach in this case and comes up with a form of words that will allay our concerns on this matter.

Senator Feargal Quinn: I understand the reason for this being included in the Bill and the reason the legislation attempts to cover the matter, because any director on a board who does not bother reading the papers, does not accept responsibility nor bother attending to his or her duty should be found guilty. On the other hand, many companies are not simple companies. I recall my experience as chairman of An Post, which had 15 board members and which received vast amounts of information. I wonder should any of the 15 board members who missed out on something that was incorrect or wrong be held guilty of a criminal offence. Of course they should have examined every document and covered everything, but it would be far too onerous to infer a criminal offence for every one of those directors. I am not sure what the solution is, because we do not want to relieve directors of having that responsibility.

Senator Cannon has put it correctly. There is an onus on us to ensure Ireland is an attractive place to do business and that it attracts entrepreneurs. We recognise the need for people with ability to join boards and accept responsibility as directors, but that should not be such an onus that it places a threat over them if they make even one slip-up by not covering something. I remember similar legislation to this previously and have thought about the situation in my former company of which I was director for many years. If something went wrong, were all my other colleagues held responsible? If I was the chief executive, I was certainly responsible, because an executive director must accept responsibility. However, that is not necessarily true for non-executive directors, although they have a responsibility to check everything that takes place.

I believe large numbers of people would refuse to take on the responsibility of being directors or to be part of an operation if they felt they would be found guilty of a criminal offence in the case of failing in their responsibility. I understand the need for the legislation in the case of executive directors, but it is too onerous to make it a criminal offence for every director.

Senator Joe O'Toole: These issues change with the public mood. The provenance of this legislation is simple. As Tánaiste and Minister for Enterprise, Trade and Employment, the Minister's predecessor would deal with this issue very quickly. When she was in front of the Committee of Public Accounts in 2002 discussing the issue of offshore accounts, she said we would never again have to listen to the argument that people did not know about something. This was reiterated throughout her speech and that was the reason the 2003 Bill was published, namely to deal with the "We didn't know" issue.

We do not want people to be thrown into jail for something of which they are not guilty or something about which they could have no knowledge. We must be reasonable and decide whether they should or could have known about it. We could not possibly find somebody guilty of something they could not have known about. When the 2003 legislation was passing through the House, a colleague who was in the House then but who is not here any more — a director of Independent News and Media — asked how he as a director could be held responsible for something that went on in the back offices of the South African part of the company. That is not what is implied here, but all these things tie in together.

When we come to the amendment I have proposed, I will remind the Minister about what she said about the Director of Corporate Enforcement. I will also remind her it is about materiality. Did people have the structures in place to ensure compliance? Perhaps the Minister will tell us about the contravention of section 31 in her response and how it might arise. Perhaps she will tell us the kind of decisions that would need to be taken before we get into it.

My colleagues keep talking about this being a country where we must make it easier to do business. I support that idea. I have spent months in Government Buildings over the years negotiating national agreements to ensure this. It is, for example, about finding balance between the Virgin Islands and France. It is trying to find the in-between position where people act reasonably and responsibly and within the law. I do not want to overstate the situation, but over the weekend I listened to discussion about Burma and how it deals with people who cannot meet their liabilities or who act in contravention of financial regulation etc. They are dealt with quite summarily.

I do not want to go into a history lesson, but it is important to recognise how we got to this position. All these things operate on the basis of trust and confidence. Before we had companies' legislation, people shook hands on their agreements. Documents were not signed in the stock market until recent decades, because the day one defaulted was the day one went out of business and nobody would deal with one anymore. From where did this practice come? It came from the middle ages and the question of how to deal with finance, beginning in places

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like Genoa and Barcelona where trading between nations began. The people in these areas often relied on the Jewish community with regard to how business was conducted, because the Jewish community was allowed to deal with money when Christians were not. Under the Christian code of conduct at the time usury was not allowed. However, I assure Members that Christians found ways around that.

The issue then was that if people could not meet their liabilities, it was a capital offence and they were hanged outside the door of their business. That kind of uncivilised behaviour is not acceptable at any level now, but it is important to remember that was how they dealt with the issue. How do we deal with it? We dealt with it by saying that people must be able to do business. They must be able to take reasonable risks in trade and to operate in an unencumbered way. Therefore, we introduced the concept of limited liability. I asked the Minister about this on Second Stage. Limited liability is a gift the Minister hands out to entrepreneurs, business people and others. It is a gift, a privilege and a function of democracy. It is something we give out and value and must be acted upon in a responsible way.

What we need to do with this legislation is find balance. How does somebody come to contravene section 31? Is it reasonable to say the structure should be in place so an officer of a company would have to know about something? That is the question. If an officer of the company could set up a structure in such a way that he or she was not required to be told, informed, made aware of or sign off on something, but then could claim two months later that he or she did not know about it, we are making fools of ourselves. This is what we must examine in order to move things forward. It has all to do with the structures, compliance, being reasonable and acting within the spirit of the legislation.

We must bear in mind at all times what Senators Quinn and Cannon have said about not burdening people unnecessarily. In doing that, we also want to ensure they have put in place the structures within their companies that will ensure nobody loses out. I do not want to mention particular issues, but that is what happened recently. I thought I would never hear it again, but we heard it last month. Here in the House people were asking if other directors knew about loans. People were saying: "Your man was chief executive and a director and then became chairman, so he had to know". We were back wondering who knew and how they knew. We all know they should have known. Therefore, the structures should be in place to ensure that if somebody breaches section 31, he or she can only do that by breaching the controls within the company. If somebody does that, it is fraud. That is a different issue altogether and somebody else cannot be held responsible for it. This issue goes to the core of what we are talking about.

Deputy Mary Coughlan: I was wondering which horse the Senator was on as he was finishing.

Senator Joe O'Toole: I was waiting for someone to give me an answer on section 31.

Deputy Mary Coughlan: The purpose of the——

Senator Joe O'Toole: I am a complex person.

Deputy Mary Coughlan: I gathered that. They think women are complex, but men are worse. Perhaps Independent Senators are the worst of all.

An Leas-Chathaoirleach: Agreed.

Deputy Mary Coughlan: The purpose of section 7 of this Bill is to replace section 40 of the Companies Act 1990, which sets out the penalty for breaching the statutory prohibition on the

making of loans by companies to the directors. To prove that an offence has been committed under the existing section 40, it is currently necessary to prove beyond reasonable doubt that the accused knew, or had a reasonable ground for believing, that the company was in breach of the requirements of section 31 of the 1990 Act. In effect, it is necessary to prove there was a wilful default. In other words, ignorance of the law can be used as a defence. The existing requirement on the prosecution to affirmatively prove the accused's knowledge of the law is unduly onerous, particularly when compared to many other offence provisions found elsewhere in the Companies Acts.

The proposed new provision will provide that if a company enters into a transaction or arrangement that contravenes section 31 of the 1990 Act, every officer of the company who is "in default" will be guilty of an offence. Section 383 of the Companies Act 1963 sets out the meaning of an "officer who is in default". It provides that an officer is "in default" if he or she authorises a default mentioned in the provision in question or, in breach of his or her duty as an officer, permits such a default to occur. Section 383 of the 1963 Act further provides that an officer is presumed to have permitted a default by his or company unless he or she can establish that he or she took all reasonable steps to prevent the occurrence of the event in question or, by reason of circumstances beyond his or her control, was unable to do so. In essence, the amended version of the 1990 Act will bring this offence into line with numerous similar offences in the Companies Acts. It will also set out a mechanism whereby an accused officer can defend his or her actions in appropriate circumstances. I am satisfied the approach being proposed is appropriate. Accordingly, I do not feel I can accept the deletion of this section.

Senator Joe O'Toole: I accept what the Tánaiste has said. It matches my understanding of the position. It might help Senator Cannon if a comma were included after the word "company" in the proposed new section 40 of the 1990 Act. Although the word "who" cannot refer to a company, the manner in which the proposed section is worded almost suggests the company is being referred to. The Tánaiste has made it clear the reference is to any officer who is clearly in default. There will be a quite high burden of proof on the prosecution to prove that is the case. I am comfortable with what is being proposed. Somebody might rely on an old interpretation of the word "who" to claim it refers to the company, and therefore every officer of the company. It is a small point. The Tánaiste has clarified the matter on the record of the House.

Senator Ciaran Cannon: That is exactly the point. I ask the Tánaiste to assure the House that there is no possibility, under this legislation, of a director of a company who has no knowledge of the carrying out of an illegal act being implicated in the commission of that act. That is the issue. As far as I am concerned, the current wording of this provision — "if a company enters into a transaction or arrangement that contravenes section 31, every officer of the company who is in default shall be guilty of an offence" — reads as if one is trying to remove a tumour with a machete rather than with a scalpel and some surgical skill. It seems to be far too much of a burden. Can the Tánaiste give me some reassurance in this regard? I tabled an amendment to try to protect executive and non-executive directors of a company. The Bill does not even draw a distinction between the two categories. If people are not involved in any way in the commission of an illegal offence, it should not be implied or assumed they are guilty. If the Tánaiste can assure the House this section of the Bill does not provide for such an implication or assumption, I will be quite happy to support it.

Deputy Mary Coughlan: I appreciate these issues are complex and complicated. I do not want to create a set of circumstances in which nobody wants to be a director of a company. We do not want that either. If a person is a director or an officer of a company, it is important

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he or she should be aware of the law as it stands. I hope we will be able to offer some further guidance when the consolidation Bill in this area is introduced.

Senator Joe O'Toole: Is there a date for that Bill?

Deputy Mary Coughlan: When it has been completed, I will give the Senator the first copy of it.

Senator Joe O'Toole: Will I have retired at that stage?

Deputy Mary Coughlan: The Senator is waiting with bated breath for the Bill. We are removing the criminal penalty aspect of section 31 of the 1990 Act, which prohibits the making of loans to directors and connected persons. We are trying to strike a balance with the issue of personal concern that was expressed by the Senator on the basis of his experience. It will be a matter for the director to make a determination. The court will make the final decision. Of course it will be open to each person to prove that he or she was not involved in something untoward in any way. I have tried to assure Members that a balance is being struck. We will not punish people who are not guilty or associated with wrong-doing. We are trying to do two things. We are trying to ensure people cannot use the excuse that they did not know — that they were ignorant of the law. At the same time, we are trying to——

Senator Ciaran Cannon: I agree with what the Tánaiste has said about ignorance of the law, but ignorance of the facts surrounding a criminal act is a much different proposition.

Deputy Mary Coughlan: We need to go back to section 383 of the Companies Act 1963, which sets out the meaning of an “officer who is in default”. If Joe Soap were to read this section of the Bill, he might think it covers everybody. The most important part of it is the term “who is in default”.

Senator Ciaran Cannon: It is the company that is in default.

Deputy Mary Coughlan: The meaning of the term “in default” in this section is set out in section 383 of the 1963 Act, which states:

For the purpose of any provision in this Act which provides that an officer of a company who is in default shall be liable to a fine or penalty, “officer who is in default” means any officer of the company who knowingly and wilfully authorises or permits the default, refusal or contravention mentioned in the provision.

Under that Act, an officer who is in default shall be liable to a fine or penalty. There is a clear determination. For the purposes of the section before the House, an officer shall be presumed to have permitted a default by the company unless he or she can establish that he or she took all reasonable steps to prevent it, or that it took place by reason of circumstances beyond his or her control. When we introduce the consolidation Bill, we will make sure all references are to “he or she”. It is the duty of each director and the secretary of the company to ensure the requirements of the Companies Acts are complied with by the company. I assure the House that section 383 of the 1963 Act allows an officer to claim that a default took place by reason of circumstances beyond his or her control. That assurance can be given to an officer of a company. One has to get the balance right. One cannot allow lack of knowledge to be cited, *mar dhea*, as a reason. At the same time, one must bear in mind that those involved in smaller companies, such as family companies, do not necessarily deal with these matters on a day-to-day basis. I reiterate that people involved in companies should familiarise themselves with the

law, even if they are not working within an individual company on a day-to-day basis. We need to emphasise to people that they should be aware of their responsibilities.

Senator Joe O'Toole: That does not always happen, unfortunately.

Deputy Mary Coughlan: I know, but it is something we should consider.

Senator Joe O'Toole: Three cases of this nature were reported in one of yesterday's newspapers. In one case, four different family members were included in an action. When I read about the case, I wondered whether each of the four people in question knew what they were getting themselves into. That is part of the problem in many cases. The points made by the Tánaiste seem reasonable. I do not think she will be able to make the same argument in response to the next amendment proposed by Fine Gael, which is amendment No. 16. I think a stronger case will be made on that amendment.

Senator Ciaran Cannon: On the basis of the Tánaiste's assurance that nobody can be found guilty by association or implication, I will agree to this section.

Question put and agreed to.

SECTION 8.

Government amendment No. 15:

In page 10, line 38, after "made" to insert ", issued, granted or otherwise created".

Deputy Mary Coughlan: Section 8(1)(b) of this Bill, which proposes the insertion of a new section 41(10) into the Companies Act 1990, acknowledges the existing legal powers of the Financial Regulator to make appropriate changes to its rules and other instruments in order to ensure the effective regulation of licensed banks. I understand the regulator is proposing to amend the conditions it attaches to its banking licence to require increased disclosure in the annual accounts of banks of the giving of loans to directors and other connected people. The amendment that I propose in the Bill as initiated clarified that any company law disclosure requirement imposed on companies that are licensed banks did not override the independent rule-making powers of the Financial Regulator. The verb I used in the Bill referred to rules etc. that are made under the Central Bank Acts. The proposed new wording widens this to cover all rules etc. made, issued, granted or otherwise created. My intention in this proposed amendment to the Bill is to widen the provision so that there is no doubt that it includes all relevant actions that the regulator can avail of under its own legislative powers.

Amendment put and agreed to.

Senator Ciaran Cannon: I move amendment No. 16:

In page 11, to delete lines 3 to 6.

This leads us back up the same path. I do not know what our discussion over the past 15 or 20 minutes has achieved. It is there in black and white: "Where a company makes default in complying with this section, the company and every person who at the time of that default is a director of the company shall be guilty of an offence." I would add that this applies to someone who may or may not have known about the default. Where is the protection afforded to a director who has no knowledge whatsoever of a criminal act taking place and is suddenly made guilty of a criminal offence? That is a more worrying development than the one we have just discussed. It is a major disincentive for people to become company directors. There is no

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way out for any director. The Bill does not qualify the statement that “every person who at the time of that default is a director of the company shall be guilty of an offence”. I look forward to hearing the Minister’s response to this amendment.

Senator Joe O’Toole: Senator Cannon has a very strong point on this issue. Maybe there is something in the Bill that we do not understand. It seems, however, that what Senator Cannon feared in respect of the earlier amendment could happen under this provision, that a company could be in default and a director who acted honourably and correctly but was kept in the dark would be guilty of an offence. There seems to be a lack of equity in that, unless some previous Act that we do not understand covers it.

I can see a situation arising in which a company is in default, not because the director failed in his or her duty but because of decisions taken at a remove from the director and the first the director knows about it is that he or she has broken the law. Unless there is some context for this that we do not understand I would be very worried because it is a disincentive to a company director.

Senator Jim Walsh: We need to take a coherent approach to imposing regulations on directors. I fully support every measure that improves corporate governance but we should stand back from anything that makes people disinclined to get involved, or is a disincentive to becoming involved. People should be made accountable for gross negligence or wilful default. These are public service measures being imposed on the private sector but there are examples of serious negligence, for example in the Hepatitis C case, for which public servants were not held accountable. We cannot have one approach or ethos for the public service and an entirely different approach for the private sector.

We have moved in recent years to facilitate people in small companies by removing some of the bureaucracy and costs. Small companies should be the engine of our enterprise and job creation. They now have reasonably significant thresholds before being required to submit audited accounts. While that is a good move it means that people do not have access to the professional advice of auditors which they might have in a full audit. I am concerned that if we heap more obligations on companies we will create a situation in which people may unwittingly be in default. I do not know how the Minister can deal with that but it needs to be examined.

I am in favour of keeping the Bill as simple as possible but with impositions for serious negligence or wilful default. People must have the scope to run and operate their companies efficiently and effectively and there is an increasing trend for small family companies to engage outside, independent, non-executive directors. That is a good measure which helps companies because the directors might be people with expertise that the owners or proprietors do not have. We need to make sure that non-executive directors cannot be unjustly held to account for issues of which they were totally unaware. There have been some high profile cases of that happening recently in the banks.

I agree with the thrust of what the Minister is doing but this is a complex area and we need to consider how to do it without affecting the overall objective of increasing the number of private companies and the interest from, and participation of, executive and non-executive directors in a progressive way.

Senator Feargal Quinn: The Minister explained very well why she is not accepting amendment No. 7 but the paragraph this amendment seeks to delete is very blunt: “Where a company makes default in complying with this section, the company and every person who at the time of that default is a director of the company shall be guilty of an offence.” I do not know whether the explanation the Minister gave in respect of amendment No. 7 will apply to this

amendment but Senator Walsh has touched on the important point that we need to encourage non-executive directors into family businesses. I know of one successful family business that wanted to bring in a non-executive director. The man was ready to join until he read through the requirements, before this Bill was introduced, and decided that because he had a family to look after he could not take a chance that he might be found guilty if the company was in default. To the best of my knowledge that company still comprises only family members.

Part of what we are attempting to do here is to encourage governance from outside the family in family businesses. I imagine that the Minister will say that exactly the same points apply in this case as applied in respect of amendment No. 7, but this is so blunt I would find it difficult to defend it.

Deputy Mary Coughlan: On the overall issue raised by Senator Walsh, we are striving to reduce the regulatory burden and have set down a 25% reduction in the regulatory burden on businesses. I want to achieve this and will make some further pronouncements on it fairly soon.

5 o'clock We all would like to see simplification in life. That work will continue on the Consolidation Bill because entrepreneurs are unusual people who have great ideas but whose idea of compliance might be that they pay their taxes and that is the limit to it. Businesses are frustrated and feel that these matters are an annoyance but it is important that we continue to invest in educating people. The Director of Corporate Enforcement holds seminars and the Company Registration Office does this kind of work. We as politicians need to reiterate this when it comes to the question of compliance. We are striving towards consolidation and simplification, and reducing the burden on small family businesses because they are the bread and butter of much of our society, particularly in rural areas, but we do not want to deter people from continuing in business and using their acumen. By necessity, even constitutional rights remain within the framework of all the legislation.

Acting Chairman (Senator Kieran Phelan): As it is 5 p.m.—

Deputy Mary Coughlan: Am I going to turn into a pumpkin or something?

Acting Chairman: —I ask the Senators to report progress.

Deputy Mary Coughlan: Is it possible for me to have 30 seconds in which to conclude?

Acting Chairman: Is that agreed? Agreed.

Deputy Mary Coughlan: The purpose of my amendment is to insert a specific offence for the failure to comply with any of the requirements of section 41 of the 1990 Act, which is the requirement that companies disclose in their accounts the existence of loans or substantial contracts etc., with directors and others. There is no offence.

Senator Joe O'Toole: What about a loan made to director A that is hidden from directors B and C?

Deputy Mary Coughlan: There is no offence. The Senator should allow me to make my next point.

There is a separate existing requirement obliging companies to prepare annual accounts, namely, section 148 of the Companies Act 1963. By extension, the failure to comply with the requirements of section 41 of the Companies Act 1990 would amount to a breach of section 148. It could prove problematic to prosecute a company for failing to disclose such loans in accounts on that basis. The insertion of the new subsection (11) will remove this doubt. It should be noted that the Bill provides in subsection (12) that it shall be a defence in the

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proceedings for a defendant to show he or she took all reasonable steps to secure compliance by the company with the requirements of the new subsection (11). On that basis, I am satisfied my proposed amendment should be made.

Senator Joe O'Toole: There is an inherent contradiction regarding the stipulations on guilt.

Progress reported; Committee to sit again.

Overseas Development Aid: Motion.

Senator Mark Daly: I move:

That Seanad Éireann acknowledges and welcomes international endorsement of the Government's overseas aid programme.

Much of the debate on the overseas aid budget is concentrated on the commitment to reach the target of 0.7% of gross national product by 2012. Sweden, when it experienced economic difficulty in 1992 and had to consider restructuring its banking system after its failure, decreased its overseas aid budget to less than what it had aspired to. However, it increased its contribution in subsequent years and it is now regarded as an example to other countries.

Our historic link with overseas aid is related to our experience with famine. One of the most telling comments during the Famine of the 1840s was that of Lord Trevelyan, the Under-Secretary to the Treasury in charge of famine relief. In 1849, after he had closed down the soup kitchens, relief works and all forms of aid to those left destitute by the Famine, he wrote a letter to a colleague stating Ireland should be left to "the operation of natural causes". This was basically a death sentence for the entire Irish population and an admission that those who would live would live and that those who could not survive would be left to their own devices and would perish. They perished in their millions; figures vary depending on which book one reads. Cecil Woodham-Smith's book, *The Great Hunger: Ireland: 1845-1849*, a very authoritative account of the famine published in the 1960s, states that 1 million to 1.5 million people perished and that 1 million to 1.5 million emigrated. It depends on the figures, but when one is talking in millions one does not focus on the personal circumstances of the individuals concerned.

The emigration that followed the Famine continued for generations until a decade or so ago. Ireland is unique in that for every two people born in this country, one has emigrated. Consequently, there is a diaspora of 40 million people of Irish descent in the United States, and there are more in Argentina, New Zealand and Australia.

It is because of the Famine that the Irish, be it through the Government or their own generosity, insist on helping those most in need. This is why we target our aid at our most destitute partner countries. Zambia, which I visited recently, is an example. Some of our learned friends in the Opposition have said we should legislate to ensure the Government will spend 0.7% of gross national product on overseas development aid. I pointed out what Sweden did during its economic crisis. However, I am open to other ideas and if the Opposition would like to propose that a voluntary levy be introduced whose proceeds the Government could put towards the overseas aid budget, it is not beyond the bounds of possibility.

Senator Maurice Cummins: Is Fianna Fáil looking for another levy?

Senator Jerry Buttimer: It is Government policy now, is it?

Senator Mark Daly: We are taking our cue from Sweden and other countries. While we would demand more for less, we have no doubt that a cut in budget has an effect on other people. We do not want to be the Lord Trevelyan of this time. However, what is more pressing than overseas aid budgets, as our learned friends in the NGOs are aware, is our trade policies with developing countries. These have a more detrimental effect than anything else on their survival and development. The EU's trade agreements with African and Caribbean countries and others in the Third World are preventing their development more than anything else. For every €1 billion we give them we take away €3 billion because of our trade policies. Thus, we are stifling their growth and preventing them from working their way out of poverty.

Recently, there was an interesting presentation to the Joint Committee on Foreign Affairs about Mozambique, where the production and processing of the coconut crop has a major impact on the surrounding areas. This is how countries get out of poverty. Giving people hand-outs is not good enough. This is also true in terms of employment, as we in this country know. People have to be trained and given skills and then they must work their way out of poverty. It is the only way forward. We must reform our trade arrangements, not only in Ireland but also by using our influence within the EU to persuade it to improve its trade policies. We are imposing detrimental trade policies on these countries, which is hard to believe. We are giving these countries a pittance in overseas aid relative to the amount our trade policies are costing them. This is the area on which we must focus when there is less money available for overseas aid.

I commend the Minister of State and the Minister for Foreign Affairs on their work with our partner countries. We have rightly focused on a small number of countries, unlike countries such as Switzerland which, at one stage, was dealing with 50 different countries, but has since followed the Irish model and narrowed down the number of countries somewhat to 24. The money must be targeted as much as possible on AIDS and education, which is a key factor. In Zambia, which I mention again because I was there, Ireland plays a role, with the Dutch, in developing an educational curriculum. Instead of sending out one teacher we send out somebody to train other teachers, eventually producing 6,000 teachers who will educate the next generation.

There is no silver bullet for solving the problems with overseas aid. It is not a question of demanding more money or fewer cuts, it is about being more intelligent in our approach and using the fact that trade is the means for these countries to lift themselves out of poverty. It is not just a question of giving money but of targeting money and helping with governance. While some would say governments are corrupt in Third World countries or indeed throughout the world, we must help good governments because ultimately somebody must run the departments of education and health. If we do not promote good governance and monitor donations properly to make sure they are not squandered and do not go astray, these countries will be perpetually in need of our assistance and will never be able to run themselves.

I remind Senators that 160 years ago, during the height of the Famine, the British would have said that the Irish could never run their own country as they did not have the education and were not fit to do it. In that case, it took generations. It is a generational problem, but we must take that approach and try to improve education and trade links over time. Education is the key. To quote Thomas Jefferson, "If a nation expects to be ignorant and free ... it expects what never was and never will be." I refer not just to freedom from foreign occupation but freedom from hunger and want and for people to choose their own future. Education is the key to that, which is why Irish Aid is much involved in education.

The most stifling problem in all of Africa is that of AIDS. With regard to Zambia, one thinks that if we educate people about AIDS it will reduce the prevalence of this disease. However,

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one must consider the prevalence even within the health system. A total of 38% of doctors and nurses in Zambia are HIV positive through their own behaviour, although they know how it is contracted and spread. They know the consequences because they deal with them every day, yet they engage in risky behaviour and contract the disease. One must wonder how many generations it will take for the tide to turn and people in Africa to take responsibility for their own actions. I have tried to explain to people at home the problem of HIV and AIDS in Zambia with regard to the culture and customs that exist. Changing that culture would be the equivalent of persuading people in Ireland they could no longer go to the pub but must drink at home. I do not think that will ever happen in Ireland, so it will take generations to achieve the equivalent in Zambia. It is a question of teaching people how AIDS is spread and how to prevent it.

The issue of human rights in Gaza was discussed today at the Joint Committee on Foreign Affairs. This is also connected to our aid budget, and Ireland has taken a lead role in supporting John Ging, a great Irishman who is working with the UN in Gaza and whom I have had the pleasure of meeting. He is the epitome of grace under fire. We saw him on our television screens during the recent invasion of Gaza by the Israeli Defence Forces. Although the truth is often lost in the midst of war, John Ging is a great example of a man who is able to state his case simply. Ireland's support for the UN in Gaza is important. Europe's preferential trade agreement with the Israelis, of which, as clearly stated under Article 2, respect for human rights is an essential element, is still in place despite the glaring examples of human rights abuses during the recent invasion. This was recently the subject of a resolution of both the Joint Committee on Foreign Affairs and the Joint Committee on European Affairs. I ask the Minister to take this up in his reply and to consider this issue.

In summary, helping other countries is not all about money, it is about trade as much as anything else. If we are to lift countries in the Third World out of poverty we must be fair with them in terms of trade and help them by targeting our aid towards education. By targeting education we can turn things around so that these countries can help themselves. If we continue to give them money without giving them the means and education to provide for themselves, nothing will have changed in 100 or 200 years' time. I commend the motion to the House.

Senator Ann Ormonde: I welcome the Minister to the House once again and second the motion. I acknowledge the international endorsement of the Government's overseas aid programme. I was delighted to attend the launch of the Development Assistance Committee's review of Ireland's overseas aid. The DAC carries out reviews of the programmes every four to five years. It acknowledged Ireland's contribution and that it is increasing its aid to the least developed countries. There are many positives highlighted that show the value of our programmes for families across the globe, especially in the African countries we have partnered. Irish Aid programmes are highly regarded and it is vital we continue to build on them despite our current economic challenges.

Recent reductions in the programme are regrettable. Once the global recovery begins and there is an improvement in Ireland, we should review our commitment as a priority. It was disappointing we had to reduce it this year but our heart is in the right place. The Taoiseach and his predecessor have taken a personal interest in the programme and are determined that Ireland will reach its international commitments at the earliest possible date.

Ireland is a generous donor, ranking sixth out of the 22 DAC members in terms of percentage of gross national income, GNI, and ranked 17th in terms of its volume of overseas development aid. The Government is committed to meeting its target of 0.7% of GNI by 2012. It has adopted

a phased approach and plans to meet the interim target of 0.6% in 2010. It is a challenge to reach these targets and to ensure our money is being used in the best possible way.

The concentration of our efforts in the poorest African countries is a strength of the programme. Of our bilateral aid, 80% is targeted to sub-Saharan Africa where communities face some of the most difficult challenges on the planet. The challenge for us now is to ensure our programmes remain effective and have a positive impact.

A number of important measures have been undertaken to ensure we are effective. Last September the Taoiseach and the United Nations Secretary General launched the hunger task force, a world first. It is a blueprint not just for Ireland but for the globe. The establishment of a stability fund for post-crisis situations and the rapid response initiative ensure Ireland is well positioned to respond quickly to disasters as they occur. I welcome the placing of essential supplies in hubs in Italy and Ghana in particular, allowing for rapid distribution.

Ireland's commitment to fair trade has caught the imagination of communities throughout the country that have worked to have themselves declared fair trade villages, towns and cities. While the Irish Aid volunteer centre on O'Connell Street is an invaluable service to those who want to make their own contribution to aid efforts, I encourage teachers to bring their students to the centre to learn more about their programmes. There are also opportunities for work experience programmes.

There is much for us to be proud of in our record in overseas aid but we must remain open to suggestions as to how we can improve our effectiveness. The recent review welcomed our commitment to aid but raised questions about our ability to analyse the results of our efforts and their effectiveness to let us see how we can communicate the most effective programmes to the world. There is a gap at that level which I spotted while visiting Malawi. While our aid has been reduced, it is not about money but about how we implement programmes and how effective they are. There is waste and because we must tighten our belts, we should analyse the impact of the programmes to ensure those who need them will not be deprived.

There must be an interdepartmental approach. There are issues surrounding education, HIV-AIDS, agriculture, trade and the environment. These areas must be looked at and we must have political backing. While Irish Aid has moved to Limerick, there must be no change in policy, with an interdepartmental approach so no Department can say it is not going down that road.

Senator David Norris: The road to Limerick?

Senator Ann Ormonde: There should be a more coherent approach to the implementation of these programmes. The Minister of State must ensure we do not deprive the most needy. We must call in our partners overseas, such as our embassies, to see where we can cut back without scaling back on the programmes.

The review is excellent. It recognises our work and I look forward to seeing how the programmes work, even with the decrease in funding this year.

Senator Maurice Cummins: I move amendment No. 1:

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

—"notes that then Taoiseach Bertie Ahern, TD at the Millennium Summit of the United Nations committed Ireland to reach the UN target of 0.7% of Gross National Product devoted to overseas development aid by 2007, but did not fulfil that promise;

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- notes that then Taoiseach Bertie Ahern, TD again committed Ireland to reach the UN target, this time by 2012, at a UN summit of world leaders in 2005;
- notes that the White Paper on Irish Aid, describing the impact of Irish aid, stated that ‘With Ireland’s support, Tanzania has made major strides towards universal primary education. Net primary school enrolment rates have increased dramatically from 50% in the late 1990s to around 95% in 2005’ and that ‘With Ireland’s support, a new welfare system has been put in place in Ethiopia which keeps hunger at bay for six million of the poorest people in that country each year’;
- notes the fiscal collapse experienced in Ireland in 2008 and 2009 and the resulting cuts in State expenditure imposed in 2008 and 2009;
- notes that as Ireland’s Overseas Development Aid budget is calculated as a percentage of Gross National Product, its cost to the taxpayer was already reducing substantially as Ireland’s GNP reduced during the economic downturn being experienced;
- regrets that Ireland’s Overseas Development Aid budget was disproportionately targeted for cuts that reduced the incomes of Irish aid agencies by between 20 and 25%, far in excess of other aspects of the Irish State expenditure;
- expresses alarm that Ireland’s biggest development agency, Concern, has had to lay off 19 staff and pull out of three countries, while Goal has had to lay off 9 staff and to pull its team out of the Democratic Republic of Congo as well as reducing by 70% all water and sanitation, health and nutrition programmes in Niger, all due to cuts in Ireland’s overseas aid budget;
- reminds the Government in the words of then Taoiseach Bertie Ahern, TD in the foreword of the White Paper on Irish Aid that ‘Every day Ireland’s official aid programme, Irish Aid, saves lives’;
- reminds the Government that its own White Paper on Irish Aid stated that ‘The level of need in these countries is not comparable to anything in Ireland’;
- expresses extreme concern that the cuts imposed will cost lives of those reliant on Irish development aid;
- urges the Government to re-state its commitment to reach the 0.7% of GNP devoted to overseas development aid by 2012;
- endorses the call from the Organisation for Economic Co-operation and Development that the government ‘refrain from further budgetary action that would undermine this commitment’; and
- calls on the Government to begin reversing the cuts in the overseas aid budget in the 2010 budget.”

I look at the self-congratulatory Fianna Fáil motion and am reminded that self-praise is no praise, but I suppose Fianna Fáil will take any praise it can get at the moment. The motion acknowledges and welcomes international endorsement of the Government’s overseas aid programme. Ireland’s overseas aid programme has been praised in the OECD report but, as usual, the Government is being economical with the truth. The aid programme the OECD praised

has been savaged by the Government in the past year. The report also calls on the Government not to cut the budget for Irish Aid any further.

Of course the motion does not mention that. We could look in vain through statements issued by the Government on the OECD report to find any mention of that call. It is as if the Government only wants to highlight those sections of the report that praise Irish Aid without mentioning those negative sections that criticise the Government.

I will remind the House what the OECD said about the Government cutbacks to the overseas development aid budget. It urged the Government to refrain from further budgetary action that would undermine its commitment to achieving 0.7% of gross national product, GNP, devoted to Irish development aid by 2012. The OECD is also critical of the decision to move Irish Aid to Limerick, saying that it has resulted in a loss of knowledge and experience as key staff are unable to make the move and have therefore left the section entirely.

It is in many ways the very staff the Government's policies are driving out of Irish Aid, through the decentralisation of Irish Aid's headquarters, who are the unsung heroes of the report, about which we are speaking, but thanks to the Government, Irish Aid is losing them.

Our charities and non-governmental organisations are crucial to the success of Irish Aid. Those charities and NGOs are being devastated by the cuts in the Irish Aid budget which the Government has imposed. That is the reason Fine Gael has introduced a comprehensive amendment to the motion before the House. We acknowledge fully the economic and fiscal crisis facing the country. We in Fine Gael are aware that the decline in our gross national product means that the amount of money going to Irish Aid would automatically reduce as a result.

What concerns us greatly is the scale of the cuts imposed on Irish Aid. They are far more severe than those imposed elsewhere in Government expenditure. Our amendment reveals that Concern has had to lay off 19 staff and pull out of three countries, while GOAL had to lay off nine staff and pull its team out of the Democratic Republic of the Congo as well as reducing by 70% all water and sanitation health and nutrition programmes in Niger, all due to the cuts in Irish overseas aid. Those Government cuts have made the problems they face much worse than they are. The cuts in Irish Aid are disproportionate and will hit the poorest, the most marginalised and the most in need of help.

We have not seen the end of the cuts. Notwithstanding the appeals of the OECD, I understand from various Irish charities that they are being warned privately to expect a further €100 million in cuts in Irish Aid in the next budget. I will be explicit. These cuts will cost lives. There are people alive today who will be dead by the end of the year directly because of the cuts the Government is imposing on Irish Aid.

Fine Gael believes that in facing up to the economic and fiscal crisis we should have a principle, some words to the effect that cutbacks should not cost lives. That should be our motto. That is the reason we opposed the abandonment of the vaccine for cervical cancer. That is the reason we have taken a stance on other issues and the reason we are critical of the Government's cutbacks on Irish Aid. We believe that the disproportionate cutbacks on Irish Aid will cause deaths that could have been preventable. That is the reason the Fine Gael amendment before the House criticises the disproportionate nature of the cutbacks. That is the reason we endorse the call by the OECD that the Government refrain from further budgetary action that would undermine the commitment to reach the target of 0.7% of GNP by 2012. That is the reason we in our amendment call on the Government to begin reversing the cuts in the overseas aid budget. We are not calling for their full and instant reversal but further steep cuts should not be applied to Irish Aid. Stating that may not win us votes and some may criticise us, but it is a stance based on principles and fundamental beliefs.

[Senator Maurice Cummins.]

When the White Paper on Irish Aid was published, the then Taoiseach, Deputy Bertie Ahern, said bluntly: “Every day Ireland’s official aid programme, Irish Aid, saves lives.” We agree with that statement, but unfortunately life or death did not feature on the balance sheet when the Government was planning to slash the Irish Aid budget.

Because we believe the scale of the Irish Aid cutbacks were wrong, that they cost lives and that politics should be based on principles and not just expediency, we are taking a stand with our amendment. The Government’s motion is a whitewash, one which simply highlights the positive while hiding the obvious criticisms that should be made.

The House must tell the truth on this issue. Ireland can be proud of its aid programme. It has been targeted for disproportionate cuts. The Government should, as urged by the OECD, stop any further cuts in Irish Aid and should begin the process of reversing the cuts in Irish Aid. I commend the Fine Gael amendment to the House.

Senator Jerry Buttimer: I second the amendment. I welcome the Minister of State to the House. To the surprise, perhaps, of Senator Daly, I want to acknowledge the significant investment up to this point by the Government in overseas aid. It is regrettable we have had a reversal of such investment and that overseas aid has become the Cinderella of the Department of Finance and of the Irish finances. Those of us who advocate social justice and the distribution of wealth equitably need to consider the developing world. Whatever model or methodology we want to follow on how better to develop the world, resources are required and support for the people must be given by those of us in the western world who can afford to contribute. Senator Daly can wax lyrical and cite quotations from different people but the reality is that people in the poorest regions of the world will be affected by our decisions. Whatever principles guide us politically, humanitarian and otherwise, we must always do what is best for all people and all citizens of the world. I passionately believe that. We on this side of the House will advocate and support the creation of efficiencies in how we spend our money in the context of getting value for money and how best to maximise the resources we have at our disposal.

I want to give immense praise to the Irish aid agencies, the missionaries and the NGOs who have worked throughout the world helping people in developing countries, many of whom are friends of mine. I regret never doing that work but I hope before my time is finished in this life that I will go out to the missions and do some work because our citizens who have gone abroad to do this work have made a significant contribution. On this day when the report of the Commission to Inquire into Child Abuse and suffering has been published and other issues will arise regarding the church, it is important that we pay tribute to the many church people who have worked throughout the world as well as the many lay volunteers and the State agencies.

Senator Daly spoke about what Sweden did in this area, but what is his response to the following quotation: “Poverty destroys human potential, increases vulnerability and limits opportunity”? That is a quote from the Taoiseach, Deputy Brian Cowen. The direct cut in aid about which we speak will have consequences. We are talking about 70 cent for every €100 spent. Senator Daly is correct. There is no silver bullet.

Senator Mark Daly: Jerry——

An Leas-Chathaoirleach: Allow Senator Buttimer to continue without interruption.

Senator Mark Daly: Jerry——

Senator Jerry Buttimer: I know the truth hurts.

Senator Mark Daly: The Senator is referring to me.

An Leas-Chathaoirleach: Allow Senator Buttimer to continue without interruption.

Senator Jerry Buttimer: I am responding to Senator Daly's contribution. We are having a debate and if the Senator cannot——

An Leas-Chathaoirleach: Senator Daly should refer to the Member by the term Senator.

Senator Mark Daly: Senator Buttimer mentioned my reference to Sweden but he did not say what I said it did when it cut back on its aid budget in 1992.

An Leas-Chathaoirleach: I ask Senator Daly to allow Senator Buttimer to continue without interruption.

Senator Jerry Buttimer: I realise Senator Daly is embarrassed by his own Government. I appreciate that.

Senator Mark Daly: The Senator should stick to the facts.

An Leas-Chathaoirleach: Senator Daly, please.

Senator Mark Daly: The facts are that Sweden cut back——

Senator Jerry Buttimer: The facts are——

An Leas-Chathaoirleach: I ask Senator Daly to have respect for the Chair. He should address a Member by the term Senator.

Senator Jerry Buttimer: I am not being political in my contribution but the reality is——

Senator David Norris: May I suggest that the phrase, "Put a cork in it", would be appropriate?

An Leas-Chathaoirleach: Senator Buttimer, without interruption.

Senator Jerry Buttimer: The reality is that as a consequence of what the Government has done, programmes on HIV, famine relief, education and gender equality will be adversely affected.

I agree with Senator Daly that we should create good governance and put in place new practices where people can be empowered and learn, but monitoring programmes and empowerment education require financial resources. We heard reference today to the Famine. There is no comparison. Our people had access to education and we were empowered as a nation. If we have beliefs, these cuts will have an impact, as Senator Cummins rightly said, on irrigation projects, food prices and trade, about which Senator Daly spoke in his contribution. The prevention programmes for a multiplicity of diseases will also have an impact.

I would like to refer to the other part of the Government bicycle, the Green Party. At a meeting of the Oireachtas Joint Committee on Foreign Affairs when the Green Party was in opposition, Deputy Cuffe derided the cuts. What did the Green Party Members say today about the cuts in our overseas aid? What do they say about the U-turn and backtracking on the commitment given by the former Taoiseach and by the Green Party when it entered Government? We made a commitment to provide 0.7% of GNP to overseas aid and it looks like that figure will never be met, which is regrettable. As Senator Cummins said, it will have an impact on the aid agencies. People can legitimately argue that aid agencies have become

[Senator Jerry Buttimer.]

dependent on Government money. That is a different argument and I accept that we need to have a debate on that. However, the overseas aid budget has been hit four times in four budgets. I met a missionary priest who was home on holidays and he made a very telling comment to me when he said this Government is hitting the vulnerable in Ireland, and the world through its cuts in overseas aid. I would like to hear the Minister's remarks on that.

We are in a time of economic recession and overall budgets must be examined. However, we made a commitment to the United Nations, which we will not fulfil. If one takes the amendment put down by Senators Mullen, Quinn, Norris and Bacik, we must refrain from further budgetary action that will undermine our commitment. If we do not, we are sending the wrong message and imposing cuts that, as Senator Cummins said, will impact on people's lives and the quality of their lives. All of us in this House are open to the developing world and want to produce results that will see Ireland's standing in the world enhanced by our support. This motion is timely regardless of the economic climate because we need a debate on how best we can support our aid programme and how best we can see Ireland and the people of the world benefiting from our financial contributions.

Does the Minister think the move to Limerick is beneficial? He will say it is from a political point of view because it is in his constituency.

Minister of State at the Department of Foreign Affairs (Deputy Peter Power): It is beneficial from every point of view.

Senator David Norris: Come on, the Minister is losing credibility.

Senator Jerry Buttimer: How does the Minister square the comments made——

Deputy Peter Power: The OECD did not criticise the decentralisation programme.

Senator Jerry Buttimer: I know it did not. I did not say the OECD criticised it, but I ask how the Minister sees the drain on personnel having an impact. The OECD report said we need to be an advocate for trade, agriculture, development, getting private sector initiatives going and gender equality across the world — Senator Daly alluded to this. We will not meet our aid target, however one looks at it. What are we saying about that? The OECD has been critical on aspects of the Government's policy. It queried whether the relocation would lead to a loss of expertise and "institutional memory". That is there in black and white. I look forward to the rest of the debate. In seconding the motion, it is regrettable we have a cut and that aid is becoming the Cinderella of finances. Despite Senator Daly's comments——

Senator Mark Daly: Is George Lee against the move to Limerick?

Senator Jerry Buttimer: Senator Daly is embarrassed and I do not blame him. If I were in his position I, too, would be embarrassed.

Senator Mark Daly: If the Fine Gael candidate is against the move to Limerick we would like to hear about it. As election agent, what is his position on the move to Limerick?

Senator Jerry Buttimer: I fully support and second the Fine Gael amendment to the Government motion and I hope the Members of the House will support it.

Deputy Peter Power: I am delighted to join the Senators in the House this evening to discuss the motion and I welcome the opportunity to focus on Ireland's aid programme, especially on its international reputation, but most important on its impact on the lives of the poorest people

in the world. Although the motion is framed in positive terms it gives rise to the possibility of a wider discussion. I welcome the points the Senators have raised to date and will raise as the debate progresses. It gives us an opportunity to discuss some of the wider and more challenging issues facing us.

Self praise is no praise, and that is why we welcome praise that comes from impartial international third parties with no vested interests. Notwithstanding the challenges we face, the recently published OECD report makes it clear that Ireland's aid programme is among the best in the world.

Senator David Norris: In 2008.

Deputy Peter Power: It is important, therefore, to have this debate in the context of the highly positive standing which our aid programme currently enjoys and of which every Irish citizen can be justly proud. I returned last night from the six-monthly meeting of the EU Development Council in Brussels, where the main subject of discussion was the effect of the global economic crisis on the countries of the developing world. The debate among Ministers from the 27 member states threw into sharp focus the complex series of challenges and tensions which must be addressed now if we in the developed world are to sustain the momentum in our work for international development.

We are committed, through the millennium development goals, to halving the levels of world poverty and hunger by 2015. Important progress has been made since 2000. However, we face a global economic crisis, which originated in the financial markets of the developed world but which is being experienced with increasing severity across the developing world. The advances achieved in Africa and elsewhere are under threat. At the same time, we have set ourselves ambitious targets — more ambitious than other countries — which are expressed in terms of the proportion of GNP devoted to overseas development assistance. Therefore, overall aid volumes are set to decrease just as they are needed most. Although percentages rise, aid volumes may well drop. This is a paradox which we must confront.

It was clear to me from my discussions over recent days with EU colleagues that aid budgets everywhere are under serious pressure as Governments move to underpin the economies and the public finances on which they are based. We in Ireland are facing these challenges perhaps more openly and more directly than other countries and therefore the debate on the subject has been particularly intense here. I strongly welcome this debate. It is essential that the Irish people and their democratic representatives consider openly and with a sense of realism the vital issues at stake.

In Europe, Africa, the US and across the world governments are addressing urgently and directly the need to make aid more effective to ensure every euro and dollar counted as ODA has the maximum effect in saving lives and creating the conditions for future growth. Ireland has a major role to play in this effort. This was recognised very clearly in the important international report published this month by the development assistance committee of the OECD following its peer review of the Government's aid programme.

Peer reviews conducted by the development assistance committee of the OECD are the most important independent assessment any donor country undergoes. They are the key international benchmark of the quality and effectiveness of the overseas development programmes of member states. The review involves rigorous research and analysis of Irish aid policies and programmes over the past five years and an intensive series of meetings with Government and non-governmental organisations in Ireland, together with a visit to our programme country, Uganda.

[Deputy Peter Power.]

In short, and without in any way minimising the scale of the challenges we face at home and abroad, the people can be very proud of the report's enormously positive conclusions. By any measure, the report is a strong vindication of the policies we have pursued, notwithstanding the comments made by Senators Cummins and Buttimer.

It addresses openly the issue of aid targets and calls clearly on the Government to continue to work towards meeting our stated goal of spending 0.7% of GNP in 2012, three years before the overall EU target date. I can confirm to the House that we are continuing to work towards our target even though clearly it will be more difficult to achieve in current circumstances.

The OECD also states that "Irish Aid is a strong, cutting edge development programme", that "Ireland is a champion in making aid more effective" and that "poverty reduction is the overarching goal of Irish Aid and its programme is well concentrated on a limited number of very poor African countries".

It praises Ireland for working in a genuine partnership with the developing countries and it focuses on and calls on us to work with other donors to share the lessons of our successes in making our aid so effective where it counts — among the poorest communities in the poorest countries in Africa.

Naturally, I welcome this strong international endorsement of the approach we have taken in our policies and actions towards the developing world. We welcome the recognition that our development assistance policies are an integral part of our foreign policy and we welcome the advice that we increase our work in communicating development results to the public in order to maintain support for overseas development.

This is crucial. The people have always been generous donors in a private capacity and they have, I believe, strongly supported the huge expansion of the Government's aid programme over the past ten years. A visit to the very successful Africa Day in Limerick last Sunday or in Dublin next Sunday would confirm the enthusiasm and support of thousands of Irish people for the work of development.

However, I accept that we and the NGOs and missionaries with whom we work in partnership need to redouble our efforts, not just to achieve clear results from our funding for aid, but to demonstrate that Irish taxpayers' generosity and money are saving countless lives each year. We want to maximise the contribution people make through their own donations and through their taxes to fighting global poverty and hunger.

The OECD review was finalised just as the Government faced a series of very difficult decisions across all Departments. I repeat to the House that I, like many Senators, very much regret the need to reduce the budget for 2009. However, I emphasise that decision was taken by the Government with the sole intention of stabilising our public finances and establishing a platform from which Ireland can return to economic growth.

We learned the lessons of failing to establish the basis for sustainable growth in the 1980s. We learned what happens when one avoids difficult decisions. I believe firmly that our overseas aid programme cannot grow to the ambitious levels to which we aspire without a strong and vibrant Irish economy.

We owe it to the people and to the people and governments of the developing world to ensure our development assistance programme is sustainable. We practice sustainable development in Africa and we need to do so at home. We need to show it is based on the reality of a sound national economy. It would be in nobody's interests to focus solely on GNP percentage targets if that GNP is in steep decline and we were to face the prospect of borrowing internationally to fund assistance to the poorest countries. That is simply unsustainable. This is

a clear, if somewhat uncomfortable, reality to face. Those who sometimes make pejorative commentary must also face that reality and in doing so, they must accept the Government *bona fides* in this regard.

Despite the difficulties, however, it is right we recognise that with a budget of just under €700 million for this year, Ireland remains the fifth most generous aid donor in the EU and the sixth most generous in the world in *per capita* terms. I hope people commenting on this area respect that. Even in enormously challenging times that represents a very solid achievement.

As the OECD states, our spending on development remains at historically high levels and is among the most effective in the world. It expanded almost five fold over the ten years to 2008. We should also note that it grew at a disproportionately faster rate than our national economy. The Government allocated €4 billion in overseas aid over the past six years alone.

Our programme will be reduced this year but we will work with our partners to ensure it is even more effective. I assure Senators that I will lead a relentless focus on efficiency and effectiveness of our programme in all of its formats and delivery mechanisms.

Ireland's official development assistance and the individual contributions of the people are saving lives every day. The Government has given a clear commitment, which I repeat, that we will resume the expansion of the aid programme as soon as economic conditions permit and we have re-established a pattern of sustainable economic growth.

I recognise the strength of the views being expressed in the House on the subject of the aid programme and I accept the passion with which these views are often expressed. We are talking about saving the lives of the poorest and weakest people. This is a subject on which I, too, am passionate but I do not believe it serves the interests of anyone if we fail to recognise the scale of the contribution Ireland continues to make. The scale of the challenge is such that we need to avoid any temptation to indulge in a competitive, negative or acrimonious political debate that can only serve to undermine public opinion at a time when it is needed most.

I welcome views on how we can make our aid more effective in the current climate and actively invite suggestions from Senators. As a contribution to this debate, I would like to highlight in concrete terms how Irish Aid is making a difference in the fight against poverty, as outlined by the OECD. The examples are by no means exhaustive but they serve to illustrate the tangible progress in areas that are critical to the world's poorest and most vulnerable communities. First, Ireland is praised as leading the way in the fight against HIV and AIDS. We have the highest proportionate spend on HIV and AIDS within the European Union. Beyond funding, Ireland is recognised for its innovative partnerships, including with the Clinton Foundation in Mozambique and Lesotho, and for spearheading single national programmes in fighting the epidemic.

Second, Irish Aid is acknowledged for intellectual leadership and achievements in the area of gender equality. Our work in highlighting and seeking to prevent gender-based violence is regularly singled out for mention by our international partners. Third, the OECD emphasises that Irish Aid is notable for its capacity to respond quickly and flexibly to local needs and local priorities in the developing countries with which we work. We could cite many more examples. Our work on hunger in Malawi, on education in Tanzania, to which Senator Daly referred, and on the safety net programme in Ethiopia are all highly regarded internationally.

Fourth, the OECD praises the strategic approach we take to supporting the excellent work of our non-governmental partners. Ireland works more closely in partnership with NGOs than any other OECD member state. We value our partnership with NGOs because it reflects the values of the people and their commitment to making a difference to those less fortunate than ourselves even when we are facing our own economic difficulties and families at home are under pressure.

[Deputy Peter Power.]

Our commitment is reflected in our policy dialogue with the NGOs and in our funding. The Government channelled €800 million in development funding through the NGOs over the past five years covering long-term development work and response to emergencies and humanitarian disasters.

I accept the need to reduce our contribution to NGOs by 20% or so will have an effect on their work as will the increased pressure on private funding. However, our funding to the NGO sector will still be higher than for any other member state of the EU or the OECD. It reflects the quality of the work and their ability to work in niche areas. The Government provided about €200 million to aid agencies last year, including very significant funding to Concern, Trócaire and Goal and many others. In 2007, funding for the agencies represented about one quarter of our total development funding, a figure which the OECD describes as “very high”. It represents the highest percentage among all OECD member countries. In my discussions with the aid agencies in recent weeks, we agreed on the need to strengthen our partnerships. The funding relationship is crucial and it is inevitably affected by the economic climate, but the challenge now for Government and for non-governmental organisations must be on improving aid effectiveness and ensuring that their approaches remain in line with best international practice. In this regard in my ongoing discussions with other OECD aid donors, we are very cognisant of the need to work more closely together. This will ensure that our combined aid is more effective and gives better value. By working together as countries, we naturally can reduce duplication and plan more effectively. We also reduce the burden on poor countries having to deal separately with so many donors. The result is more lives saved and more effective aid. This important aspect of international aid and development was discussed at our informal session of development Ministers held recently.

There is now an opportunity for our NGO community to look at the possibility of working more closely together, including in joint planning and perhaps joint programming, where they would work in the same country in similar sectors. By pooling funds and their undoubted expertise, it will be possible to do more and be more effective. The possibility of joint appeals could also be explored. This would reduce the cost of necessary fundraising. I know this will represent a challenge to the NGO sector but the opportunity exists to refocus on ensuring that our aid is as effective as we can possibly make it and I look forward to discussing these proposals with the NGO sector over the coming months. I am determined that Irish Aid will lead the way in this respect.

The Government is determined that Ireland will play a strong role in shaping the EU's response and that of the wider international community to the needs of the developing countries as they face the global economic crisis. In Brussels yesterday we discussed how the European Commission can respond more flexibly to the immediate and the long-term effects of the crisis on the most vulnerable countries. We also discussed how the EU and the US can co-operate more effectively and there was strong recognition of the role Ireland is playing in highlighting the need to strengthen the international response to the scandal of global hunger.

In response to the report of the Government's hunger task force, I have made the fight against hunger a cornerstone of the Irish Aid programme. The reality today is that almost 1 billion people are at risk from hunger, one in every seven people on the planet. Their lives are in danger because they do not have enough to eat. We can sometimes lose sight of this critically important fact that it is simply not possible to achieve any of the millennium development goals targets if the people of this world do not have enough food to eat. With the benefit of the hunger task force and with the support we have received throughout the country, from these Houses and from the NGO community, I have been able to raise the hunger issue at the highest

level in the international community and to ensure that it receives the priority it deserves at European Union level. I assure Senators that I will continue to do so.

Large sections of the urban poor in developing countries do not have regular access to food and in many cases price reductions in recent months have not reached rural areas. A significant proportion of small-holder farmers, a majority of whom are women, cannot grow enough food to meet their own needs. A key focus of the Irish Aid programme in future will be on support to small-holder and women farmers, the targeting of infant and maternal malnutrition and the improvement of farm productivity and agricultural research. All our programmes delivered through the aid agencies or through the national and bilateral programmes will in future be looked at through the prism of hunger, even the health, education and agricultural and research programmes, to see how they can contribute to the fight against hunger.

It is important that the Irish people know that the Government's aid programme — the people's aid programme — is innovative, accountable and focused on results. The international endorsement from the OECD is welcome. Most important, however, are the recommendations from the OECD on how we can improve our contribution. There can be no question of complacency on our part. I take on board the comments made by Senator Buttimer about the decentralisation to Limerick of Irish Aid. The Senator accepted that the OECD was not critical of the decentralisation process but it observed that it should be monitored to ensure that institutional memory is not lost. The Senator's comments were fair in that respect but not in respect of criticising decentralisation *per se*, upon which the OECD did not comment. I assure the House and Senator Buttimer that we are putting systems in place, including the recruitment of new development specialists and including collaborating with local educational institutions to ensure that the training and ongoing education of all our staff is at the highest level. This can be discussed at a future time. It is true that Ireland is making a greater contribution *per capita* than any of the larger EU member states. This fact is sometimes forgotten in this debate, that the Irish Aid contribution is bigger in *per capita* terms than that of Britain, France, Germany, Spain and Italy, notwithstanding the economic challenges we face. We will now take the recommendations of the OECD peer review, as we did with the last report in 2003, and work to protect and develop the strengths of our programme.

I welcome the strong support across the House for the aid programme. We are managing the programme in difficult times and we are doing so on the basis of our central strategic objective which is to ensure we make decisions which are sustainable for the programme in the long run. Our aid targets are expressed over many long periods of time. They were expressed initially in the year 2000. It is over a period of 12 to 15 years and this sometimes means that we have to make decisions along the course of those long-term targets to ensure that we create the conditions and the platform of concrete rather than sand to ensure that when we reach our aid targets, expressed as a percentage of our gross national product, this will be a real and meaningful contribution in real aid volume terms to those who need it most. To do otherwise would be a real disservice to the people whom we aspire to help. We aim to contribute to the reduction of global poverty and hunger in the poorest countries in the world, with a particular focus on sub-Saharan Africa. It is our firm intention that Irish Aid will continue to develop as a world-class, knowledge-based programme with an unrelenting focus on results, hunger and poverty and on saving and improving the lives and the prospects of the poorest and the most vulnerable people in the world.

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

The Minister of State is a decent man, as I know only too well, but he has a brass neck to come into the House and deliver that drivel. I am glad to say, however, that he looked miserable doing it and he has every right to be so. He mentioned the question of percentages. It is

[Senator David Norris.]

perfectly obvious that since the matter was expressed as a percentage he did not have to cut anything. It could be left alone and we would give the proportion that we could afford, even if it was the widow's mite. We were given promises after promises. The then Taoiseach, Deputy Bertie Ahern, boasted about it at the United Nations and surely the Minister of State should be ashamed of that. He was a very enthusiastic member of the Joint Committee on Foreign Affairs, and so were some of his colleagues, when looking for a separate budget subhead for overseas aid, looking for it to be institutionalised so that it would be crystallised year after year and we would automatically, without any opportunity to change, reach the target. I listened with horror when he was talking about the need for these changes and our duties to the people and this sort of business and rescuing our economy with these piddling cuts in the global context, at the expense of people who are going to die. I never want to hear belly-aching from the Fianna Fáil side of the House about the Irish Famine because we are doing to them what they did to us all those years ago.

Deputy Peter Power: I cannot agree with that.

Senator David Norris: It is absolutely outrageous. The whole thing is a spin. On "Prime Time" on 5 May, in response to a question from Mr. Justin Kilcullen, the Minister of State said we were protecting short-term emergency humanitarian aid because that was where our focus was. We want to save lives, but we are saving lives with our programme in any event. Yet when the researchers contacted the Minister of State's office they were told that the earmarked funding for rapid onset humanitarian emergency programmes, which is exactly what he was talking about, was reduced by 70% from €20 million to €6 million. The office, on being contacted again, responded that what the Minister of State had intended to say was that the reduced amount, in other words the 30% pittance left, would be delivered. That is sheer nonsense.

Now the Minister of State is saying, "although the motion is framed in positive terms". Of course it is as it says nothing, apart from how wonderful we are, but we are not. I do not believe it is right to take historical credit for a situation that has developed over some years, in the present circumstances when we are cutting deeply into this aid. Again, the Minister of State is taking credit for the generosity of the Irish people. The Government is not the Irish people.

Deputy Peter Power: No, I am not. I am complimenting the generosity——

Senator David Norris: It is on page 4, where he talks about the wonderful generosity of the Irish people. It is not his generosity, I would say. He says he is continuing to work towards the target. He continues to work towards missing it. This is disastrous. He says he accepts that the cuts, which are savage, will have an effect. He does not even have the nerve to acknowledge that it is a negative effect. He talks about going off to huddle with his fellow Ministers in Europe, and we know a number of them are cooking the books, as the Minister of State knows, I am sure, because he is a decent man. They are including things such as debt cancellation as if they were giving money. That is shameful and is something over which I hope the Minister of State, who is a decent man, will raise and rattle their cage in Europe.

Former President Mary Robinson, an old friend of mine and of many people in this House, said that she is concerned because the cuts are proportionately more severe in this than in any other European country. We are told that 25 jobs in this country will be sacrificed from all the aid agencies. Overseas it will be worse. By the end of this year Concern will have cut 500 jobs overseas and its budget is reduced from €26 million to €20 million. Goal will cut nine jobs from its Irish office and its budget is down 29%. Trócaire says it will be forced out of a programme

that supported 143,000 in east Africa, who will starve to death. Then there are the children with HIV, where in clinics they are prevented from getting HIV. There is Oxfam, too, and the cholera prevention programme in the Democratic Republic of Congo as well as Amawele in South Africa. We are always boasting about our connections with South Africa and taking credit for the work of people such as Mr. Niall Mellon, yet there is no funding. A number of those projects will close down.

There have been €195 million in cuts, about the cost of a small motorway. The cuts will progress from 0.58% in 2008 to 0.48%. We are going backwards, despite being promised time and again that this would not happen. We are now unlikely to meet the target. Other European countries are shaming us.

Deputy Peter Power: That is not correct. Nobody has gone past us.

Senator David Norris: It is correct. I will dispute that with the Minister of State and we can bandy figures, but these are the cuts. I said the Minister of State had a brass neck, but I do not believe he wrote that stuff. Neither do I believe that he framed the motion. I believe that if he was left on his own he would fight and I hope the strong words he has heard in the Seanad tonight will give him armaments with which to fight, both within Government and with its partners in the European Union, most of which should be thoroughly ashamed.

Senator Feargal Quinn: I have prepared some figures, but since most of them have been read out already or are about to be, I will take the opportunity to place on record a letter that appears today in *The Irish Times*, which I am not sure the Minister of State will have seen:

Madam,

The present dispute about whether, because of the economic tsunami, Ireland is justified in cutting overseas aid evokes a historic parallel. This is the controversy in Britain, in early 1946, seven months after the end of the war, over whether food should be sent to aid the starving Germans. This was at a time when the average British consumption was about 2,800 calories a day, the equivalent of about 60 per cent of the present Irish figure.

At the time, George Orwell wrote: "If we raise our own rations, we should be doing so while famine descends on Europe. If we do decide to do this, at least let the issues be plainly discussed and let the photographs of starving children be well publicised in the press, so that the people of this country may realise what they are doing."

Happily, the British made the decision to give up some of their food to the Germans. The Irish should take the equivalent decision now.

Yours, etc.,

Professor David Gwynn Morgan,

Law Department,

University College Cork.

I thought when I read those words how succinct, competent and capable they were. It is a reminder to us, as a country, of what we can do. It is estimated that we cut overseas aid will slip backwards from an estimated 0.58% to a projected 0.48% this year after the February and April cuts. The World Bank has warned that such recession induced donor fatigue worldwide could result in 90 million more people, mainly in Africa, being forced into poverty. Furthermore, the World Bank reckons that between 200,000 and 400,000 more children will die every year between now and 2015 than would have perished in the absence of a world economic

[Senator Feargal Quinn.]

crisis. *The Economist* summed up the situation when it said, “Progress towards a richer, more equitable world has been set back years.”

I mention that because I am not talking about Ireland alone. While I cannot agree with everything Senator Norris has said, I know that the Minister of State’s heart is in the right place. I know he wants to do well, as do the Irish people. I am aware of the straitened economic circumstances, but when we look at the figures and how well off we are compared with those who die, are starving and go to bed hungry every night, we realise that we can afford to do more than we are doing. Senator Norris is quite correct when he talks about the percentages. Of course, we do not feed people with percentages. However, when we have the opportunity to do something, as we do now, I urge the Minister of State to use his influence with the Cabinet to ensure that we set out to achieve what we determinedly wish to do. We were determined to do it in the past so let us ensure we do it in the future.

Senator Déirdre de Búrca: I welcome the Minister of State to the House and thank him for his overview of the current Government position on Ireland’s overseas development aid policy. I welcome, too, the opportunity to discuss this issue today because the recent cutbacks in the overseas development aid programme have caused significant concern in many quarters.

We are in a period of financial collapse. The Government will have to consider further very serious budgetary cutbacks. I am somewhat impatient when I hear the parties in opposition condemning every single cutback across the board. It does not matter whether it has to do with the medical area, education, third level fees, transport or local authority budgets. No matter what it is, it is resisted and we are told it is scandalous etc.

Senator David Norris: The Senator cannot say that about the Independents.

Senator Déirdre de Búrca: I would love to hear where the Opposition believes we will find €16 billion to €20 billion in the coming years. If we do not, we will render ourselves bankrupt and will see the International Monetary Fund making decisions about this country and how it is run. I would prefer that we do it ourselves, which would be much more helpful. That is why the leader of my party suggested the idea of a Government of national unity, because at times such as this when very difficult decisions have to be made, opportunistic opposition by parties of the Opposition is not in any way helpful and does not serve the public interest.

Senator Maurice Cummins: We are discussing Irish overseas aid.

Senator Déirdre de Búrca: It is important to put that in context. I believe the tone of today’s motion is somewhat self-congratulatory. Admittedly, the OECD report vindicates many of the positive aspects about Irish overseas development aid policy to date. That is a good thing but we are in danger of becoming complacent and failing to recognise the serious impact of recent cutbacks on our overseas development aid policy. In 2009, our overseas aid budget will be 0.48% of gross domestic product, GDP, which is a slip from last year when it was 0.58% of GDP. This causes great dismay among those who hoped we would achieve our target of 0.7% by 2012.

The OECD report contains two recommendations which we should take very seriously. The first is that the Government should refrain from further budgetary action to undermine our commitment to reaching our target by 2012. Second, the OECD made a series of recommendations on policy coherence.

Ireland’s international reputation is closely bound up with our traditional positions on UN peacekeeping and overseas development aid. Our reputation is well earned. We have done

important work. Our development non-governmental organisations and successive Irish Governments are to be highly commended on their contributions. On the back of those activities, we have built an international reputation and have earned international credibility amounting to very important capital. If we undermine this capital it will be our own loss. That reputation and credibility give us an influence internationally and within the European Union. If we were to make further cutbacks what credibility would we have? Could we argue for the retention of current levels of development aid if we are seen to have made cutbacks at the expense of people in the developing world rather than tackling other areas? Cutbacks are necessary but let us make them evenly and across the board.

It is important to look at our vision of Ireland's role within the European Union common foreign and security policy. There are many advantages to being a neutral country with a high international reputation. We want to be seen as champions of development aid and of a more enlightened and progressive policy towards the developing world where we can help to address problems, many of which were created by the developed world in the first place. Overseas aid is partly compensation for past actions. It is also intended to ensure poverty levels in the developing world do not lead to significant problems of migration and even more chronic levels of starvation and death. Climate change is very closely bound up with this issue. To maintain our credibility in this area we must hold the line now and avoid further budgetary cutbacks in this area.

The OECD raised a number of concerns regarding policy coherence. The report acknowledged that Ireland has made progress on policy coherence for development since the last OECD report but a number of concerns were identified. The report said Irish aid lacks the institutional capacity to conduct research and analyse policies for coherence or to trace policy coherence impacts once they have been identified. We must ensure cohesion in the following nexus of policy areas: trade, energy, finance, agriculture, fisheries, security and migration. What we do in one area can undermine another. For example, trading activities can completely undermine our overseas aid and climate change policies.

The report said our political commitment to policy development coherence has not yet translated into an integrated policy framework drawing consensus from the highest levels of Government as well as Parliament. It says there is no system of institutionalised reporting to Parliament on policy coherence development which would facilitate this process and that the relocation of Irish Aid to Limerick poses challenges in maintaining close linkages with other Departments, embassies, NGOs and other organisations based in Dublin. The report also says Ireland could do more in its priority countries, for example, by prioritising aid for trade to complement interventions made through Government and civil society.

I welcome the points made by the Minister of State, Deputy Peter Power, in his presentation. He speaks of greater efficiencies in our development organisations in the coming years. To what extent could institutional structures be put in place to achieve policy coherence as part of that efficiency drive?

Senator Dominic Hannigan: I welcome the Minister of State to the House. The report to which the motion refers endorses the Government's overseas aid development programme. I recognise that Ireland has increased its overseas aid by 90% since 2003. This has helped establish Ireland as a respected world leader in the field of humanitarian aid, poverty reduction, information and education provision and the alleviation of hunger and disease. The report emphasises the quality and commitment of Irish Aid representatives at home and in our donor countries. These individuals, as well as the many NGOs supported by Irish Aid, have done the State a great service and should be proud of their contribution to helping the world's poor and advancing the development agenda.

[Senator Dominic Hannigan.]

The report also issues a number of timely warnings in the context of Ireland's success to date. Specifically, the report states that the Government should reaffirm its commitment, entered into by the former Taoiseach, Deputy Bertie Ahern, to give 0.7% of gross national income to overseas aid and development by 2012. Recent Government cuts have thrown this target into serious doubt. The overseas aid budget was cut by €45 million last July, €15 million last October, €95 million in February of this year and €100 million in April. A total of €250 million has been slashed from the budget in the last ten months, representing more than 20% of the total aid budget when Government coffers are reducing by only 8%. Cuts in the overseas aid budget are disproportionate.

I have received considerable correspondence on the impact of these cuts. They will cause cutbacks in donor programmes throughout the world. Concern announced last week that these cuts would lead to a reduction in the number of jobs and in programmes. Yesterday, in *The Irish Times* Fintan O'Toole highlighted the impact of some of these cuts. A programme in Afghanistan which provides education to 25,000 women is being drastically cut. It is not long since women in Afghanistan could not access education. This cut will not make things better for them. Members of the House were touched by the poverty depicted in the Oscar winning film, "Slumdog Millionaire". A nutrition programme for 35,000 children in the slums of Bangladesh will not go ahead because of cuts. In Haiti, where terror reigned until recently, a programme to educate 6,000 children is being shut down. When our international reputation needs to be improved, these cutbacks do not help.

Given the self-congratulatory motion tabled by Fianna Fáil Senators, I must assume they have some information we do not have. They seem very confident that the aid budget will not be subject to further cuts. We are already 1.2% off the target of 0.6% for next year. Do Fianna Fáil Senators and the Minister of State accept that further cuts to the aid budget would be immoral, unjustified and grossly detrimental to the operational abilities of Irish Aid.

I do not accept the plea bargain often offered that if recipient countries became more efficient and rooted out corruption they would be able to spend more money. I have seen at first hand how some of our programme countries are tackling corruption. It is present but it is being tackled. A case study in Uganda found that the Irish Aid programme there is strongly aligned with that government's own systems and that 97% of expenditure goes through a financial accounting system while the average in other countries is only 60%. Some 88% of our funds go through country procurement systems, which is very positive. I am grateful to the Irish ambassador to Tanzania, Ms Anne Barrington, who kindly forwarded a book entitled, *A Parliament With Teeth, For Tanzania*, published by the Africa Research Institute. In the book Mr. John Cheyo, chair of the public accounts committee there, writes that if the Government misuses funding given to Tanzania by other countries, Tanzanian MPs should be answerable to MPs in the donor countries for their performance.

Senator Ormonde, from the other side of the House, and I visited Tanzania last year and met Mr. Cheyo and discussed this point. In the book, Dr. Williebrod Slaa, chair of the local authorities accounts committee stated that any good, accountable government should be ready to open its books whenever and wherever it is asked to do so. Nothing should be private between the Government of Tanzania and donors. It is clear that recipient countries such as Uganda and Tanzania understand the need for accountability and transparency and how important it is to the citizens of our country. From the evidence I have seen it appears real efforts are being made to tackle corruption. Our money is not lining the pockets of some dictator, it is making a real difference to the lives of the poor.

I do not agree that our citizens are weary of giving aid. More information should be communicated in terms of the benefits of such aid but so too should the message that this is not costing us very much in real terms. Peter Singer noted in his recently published book, *The Life*

You Can Save, that in a survey carried out in the United States of America, when people were asked how much they thought the American Government was spending on foreign aid, they replied that it was probably 20% of the overall budget. When asked how much they wished to be spent, they stated the ideal amount was approximately 10%. The reality is that a little less than 1% is spent and there is a huge chasm between what many people believe is spent on aid and how much is spent. I suggest a similar study carried out here would probably produce similar results.

I have no confidence whatsoever that the Government will protect the aid budget from further cuts. This lack of confidence stems, in part, from a comparable state of affairs with Ireland's largely defunct equality and rights infrastructure. There have been international and institutional reports on the matter too and Ireland had been regularly singled out on the European and International stage as an example of a society with a vibrant equality and rights landscape. The development of this infrastructure only began in earnest in the 1990s and it took almost 20 years to grow and develop into a truly dynamic series of groups and organisations that promoted diversity, tolerance and social cohesion. However, it took Fianna Fáil, in conjunction with its partner, the Green Party, just two years to destroy this almost entirely. The Government seems to be pursuing a systematic shutdown of independence and critical voices within the State. This is why I have no confidence in the Government's ability to protect the Irish aid budget. Recent years have proven that Fianna Fáil is a fair weather friend, grand for the good times but nowhere to be seen when the going gets tough.

With that in mind I call on the Government Senators to try to prove me wrong. I genuinely hope that I am proved wrong on this issue. I live in hope but I expect the Minister will tell us that nothing is sacred given the global economic downturn and that everything is on the table. I accept the argument that we have come a long way in the past ten years but we have not reached the end of our journey. The improvements of the past decade are proof that we have reached a point in the road where we can walk shoulder high with other nations and do our bit to help others along the way on a journey to a fairer world.

I wish to continue to be able to say to citizens in such countries and Sweden, Norway, Luxembourg and Denmark that we are matching their efforts to promote equality throughout the world. I wish to give example to citizens in such countries as Portugal, Italy and Greece and to encourage them to increase their aid programmes which currently fall well below the average effort.

Jeffrey Sachs, the well respected campaigner for the developing world, predicts that the end of poverty is within sight if the developed world does its share to allow it take place. We are a small country and we can do our share by giving an example to the rest of the world. This recession will be over one day and when it is I wish to be able to say that I did my share and that my country did its share. I call on the Government Members to do their share to ensure the Government does not let us down on this issue.

Senator Larry Butler: I wish to share time with Senator Rónán Mullen.

Ireland has a proud record in terms of its overseas development aid. I am also proud of our fine record when it comes to our missionaries, religious orders, nuns and those who have served this country well to deliver services to those less fortunate than ourselves. That must be established here this evening and the message should go out loud and clear.

We are in very difficult times and we are borrowing €20 billion to keep our finances afloat. A percentage of that sum is going overseas, of which I am proud. It is important that we continue to provide aid because the people overseas who depend on our aid deserve our support. It is important that we continue a fair trade situation and Europe could play a greater role in this regard. Our work in the area of fair trade in coffee is an example of how we could make those people more independent. Our approach to farming in the Third World has not

[Senator Larry Butler.]

been strong enough. We require many more people to go there and show the people living there how to farm effectively and ensure crops grow which are suitable for the environment. This could be easily achieved given the available technology.

We will do our best to achieve the figure of 0.7% of GDP by 2012 and the approach is realistic. As the world economy and our situation improves it will be important to ensure the target is achieved. In the meantime there are certain actions we can take. We must appeal to the professional people in the country who are unemployed at present and who could make a very significant contribution abroad. We must encourage and, if necessary, assist them in whatever way we can whether through voluntary organisations or other means. New thinking is required. If there is a shortfall at one end, the slack should be taken up at the other end. Manpower and woman power is probably a more important contribution than sending money abroad.

The water development schemes and programmes already in place must continue because water is life. If people do not have clean water and a proper infrastructure for the basic necessities, it is impossible for life to continue, as we are all aware.

Senator Rónán Mullen: I welcome the Minister of State to the House. While I have great respect for the Minister of State, the wording of the Government motion is of a political language that brings politics into disrepute. I say that because the motion only tells half the truth about the OECD statement. It does not acknowledge that the Government has been urged to refrain from further budgetary action that would undermine the commitment, which seems mean-spirited and does not fully reflect the situation. We cannot get away from the swingeing cuts that have taken place. It is questionable for the Minister of State to suggest that there is something inappropriate about the fact that we might have to borrow to fund our international aid commitments.

Deputy Peter Power: What about sustainability?

Senator Rónán Mullen: Does that line not betray that we do not really see international overseas aid as a priority? We do not consider looking after those people in the same way as we look after our own, which is not in the best traditions of Ireland, our missionaries and our NGOs. I am none the wiser either about where the proposed cuts will take place. I read a suggestion from the Minister in *The Sunday Business Post* that emergency and bilateral government to government aid has been protected because it “produces better results”. Whatever about emergency aid, it is not the case that bilateral aid produces better results compared with funding at grass roots level and the work done by national and international NGOs. I would like to see a full breakdown of what is being cut, whether, for example, funding for the Clinton Foundation has been cut or funding for the various activities of the UNFPA, some of which may clash with our constitutional values, has been cut.

The question must be asked as to what the Irish public supports. There has always been a sense of envy within Department of Foreign Affairs that its programme, the bilateral programme, has not received the same public recognition as the work of Irish NGOs and missionaries, who together receive only a relatively small percentage of ODA funding. It is Ireland's long and proud tradition of missionary and NGO work that has formed the backbone of public support for overseas development aid. It is because most people in Ireland know someone who went overseas with Concern or know a priest who has worked in Kenya for 30 years, building schools, sinking wells etc. that they are prepared to support overseas development aid. The public does not support bilateral aid in the same way because it is nervous about government to government aid. Therefore, in the real sense the bilateral aid programme piggybacks on the NGO and missionary programmes; the former exists because of public recognition and support for the latter.

I am concerned about the prioritisation that will be made in making the cuts. The bilateral aid programme should suffer the same cuts, if not more, than aid to NGOs and missionary programmes. If the NGOs and missionary programmes cannot be protected from cuts, what public support can there be for the aid programme in general?

I would like to refer to the specific commitments made in response to the hunger task force report last year. That report recommended that Irish Aid work “towards an indicative target of 20% of its overseas development aid to actions to alleviate and eradicate hunger”. It also stressed that “regardless of the current international economic climate, without both developed and developing countries acting on their commitments, hunger will not be reduced.” The report was adopted in full at the time of its launch. I want to know whether this is still a commitment towards which Irish Aid is working. If it is, has hunger alleviation been spared in the current cuts and, if not, why not?

Just as important is the recommendation by the hunger task force report that serious attention should be given to the importance of small-holder agriculture. Not only does small-holder agriculture resonate strongly among our cultural and historical heritage, it provides a creative and effective response to many of the problems faced by the African people. I will finish with some statistics. Some 80% of Africans live rurally. Some 85% of African land has a medium to high potential for increased productivity and some 80% of Africans live on small-holder farms — probably 500 million people when we count family members. When all this is taken into account, it becomes clear why international studies back the hunger task force report’s claim that small-holder agriculture holds the key to African development. I urge the Minister to make that the main priority.

Senator Frances Fitzgerald: I wish to share time with Senator Joe O’Toole.

An Cathaoirleach: Is that agreed? Agreed.

Senator Frances Fitzgerald: I welcome this debate. The support of Members for the aid programme has been well articulated, as has their concern about the cutbacks. It is important to put on the record how the crisis is affecting the poorest countries. It is the general view that the cutbacks in which the Government has engaged have been directed at an easy target because there are no votes involved. However, it is clear the people want to see support continue and the Government has their support to continue it.

The aid programme is one of which we should be proud and the work being done was praised in the OECD report. We should consider what the OECD said. It said Ireland was leading the way among EU states in the proportion of overseas aid spent on combating HIV and AIDS, for example. Having carried out an on-the-ground assessment of the Government’s work in Uganda, the review team concluded that Ireland was a respected and influential donor with a strong reputation in the field. The report continued in that manner. Therefore, it is important we realise our aid programme is one of which Ireland can be proud.

The danger now is that much of the good work that has been done, the expertise built up and the effectiveness of the programme could be put at risk by the cutbacks. Tom Arnold, the chief executive of Concern, said:

To cut overseas aid on this scale is hugely disproportionate. We realise that the Irish Government finds itself with tough choices to make at home. However, this latest cut means that certain overseas projects — many of which are quite literally a matter of life or death — will be forced to close altogether or scaled down significantly. This will have significant serious humanitarian ramifications in the developing world. This comes at a time when the developed world needs to keep its aid promises to the poorest developing countries.

[Senator Frances Fitzgerald.]

We know the effect of the financial crisis on people in Ireland. We know there is poverty here and that families are finding it difficult to cope. However, let us put it on the record how the crisis is affecting the poorest countries.

In 2008, the number of people suffering from hunger on a daily basis rose to a staggering 963 million, equivalent to one out of every seven people in the world. According to the World Bank, the combined food and fuel crisis has pushed an additional 130 million to 150 million people below the \$1.25 a day poverty line. Thousands more children will die because of the effects of poverty. Therefore, there are serious ramifications to our cutbacks. The range of programmes affected by our cutbacks internationally are huge. They are life and death programmes.

It is right we should acknowledge that the Irish co-operation aid programme has been effective and internationally recognised. However, the Fianna Fáil motion is somewhat bizarre. It calls on us to celebrate this, while at the same time we are cutting back on the overseas programme. Reference was made to international accommodations for Irish overseas aid, but they were paid in advance of the harsh cutbacks. There is no doubt that the cutbacks are harsh and disproportionate. I ask the Minister of State to comment on the disproportionate effect of the cutbacks and the impact they will have. That is the key point.

The Government made a clear commitment to improving maternal health in its 2006 White Paper on Irish Aid. I would like to go into more detail on this if I had the time, because 536,000 women died as a result of complications in pregnancy and childbirth. I urge the Minister of State to maintain the commitment to that issue.

Senator Joe O'Toole: I thank Senator Fitzgerald for sharing her time with me. I welcome the Minister of State, Deputy Peter Power, to the House. I will begin by giving my background in this area. Throughout my adult life I have been involved in the development world and related matters. I established and operated a Central American charity at one stage and have led the development of a significant Third World fund in the INTO, to which every primary teacher contributes every month. I am currently a director of a South African fund for developing education in that area.

I have had face-to-face dealings with the Minister of State and have met him in his capacity as Minister of State with responsibility for overseas aid, and I have always found him to be open, accessible, caring and responsible. I recognise the difficulties facing the Government this year and acknowledge that cuts must be made. I can understand the thinking behind an across the board, slam-dunk 20% off everything as the easy way to make the cuts — any of us might do the same if faced with that choice — but I point out that some areas are more dependent on aid than others. I would, therefore, like the Minister of State to acknowledge that the Fine Gael amendment is very fair and even-handed and I will support it tonight rather than the ones from my own bench. It is fair and it was very gracious of Senator Fitzgerald to acknowledge the OECD issue. I do not think we need to have many differences of opinion here tonight. When we are dealing with this issue, we need to look at the impact of our decisions on people in the Third World. Every citizen of every democracy has to share global responsibility for being prepared to give.

I would like to mention a group that has not yet been referred to in this debate. Christian Aid, with which I have dealings now and again, has taken a heavy hit. It is reeling from the cutbacks. Its budget in seven countries is affected at present. I am sure it has been in contact with the Minister of State, Deputy Peter Power. Its work in the Israeli-occupied Palestinian Territories, Rwanda, Burundi, Sierra Leone, Colombia, Afghanistan and Angola has been affected. I was recently involved in the opening of an exhibition, the aim of which was to draw attention to some of the difficulties that have been experienced in Angola in recent times.

Christian Aid is doing superb work in Angola. I am not using this debate to raise the profile of this group, although I am keen to acknowledge its efforts. I could say the same about many other organisations. Would it be possible for the Minister of State to introduce some degree of flexibility to this system? If a particular group has a particular difficulty, can it receive specific assistance? I acknowledge the work of Christian Aid once more.

I understand that my time is almost up. Perhaps I have rambled a little. It is important for us to support organisations that work in different parts of the developing world. We all know people who have given their lives to groups that operate in the parts of the Third World, Africa, the Middle East and Asia. I hold them in the highest regard. I was at one stage very involved in Bhutan, which is an example of a forgotten country with many refugees. I would like the House to acknowledge, as the Minister of State has done, the outstanding work such people are undertaking. Perhaps their endeavours are presenting Ireland around the rest of the world in a light it does not deserve. In that context, I ask the Minister of State to recommend to the Government that it should take on board the Fine Gael proposal to start to reverse these cuts. I will conclude on that note. I thank the Minister of State for coming to the House. I would like a longer debate on this issue in the future, during which perhaps we can focus on the impact this work is having on various parts of the world. I reiterate that I intend to support the Fine Gael amendment.

Senator Mark Daly: I often agree with my learned colleague, Senator O'Toole. As he is also from County Kerry, it is often hard to disagree with him. He cannot be accused of rambling, even if he suggested that he rambled a little in his contribution. I agree that there is some merit in elements of the Fine Gael amendment. I remind those who have called for these cuts to be reversed that we are obviously in difficult times. The Swedish model of overseas development is often held up as an exemplar. When the Swedish economy was in trouble in 1992, the Swedish Government had to take a backward step in its overseas development assistance budget, unfortunately, in order to be able to move forward thereafter. Like Senator O'Toole, I acknowledge the work of Christian Aid, Trócaire, Concern and other groups that are doing substantial work not only in our partner countries but also in other countries throughout the world. I have seen the incredible life-saving work they have done in Gaza, for example. The most disturbing element of these cuts is that if we could give more money, more lives could be saved. That is the stark and shocking reality. It is hard to know where to start and end one's efforts.

Senator Mullen made a critical point about agriculture in the context of the work of the Government's hunger task force. He referred to the lack of productivity of soil in many parts of Africa. He suggested that the agricultural methods used by the people of Africa is contributing to the perpetuation of hunger on that Continent. That, in turn, has a detrimental effect on education etc. and thereby keeps the cycle of poverty going.

7 o'clock

While money, in itself, is a huge help in crises throughout the world, it is not the only solution. It keeps people alive in places like Congo, Gaza, Vietnam, where Ireland is involved, and Central America. We have to be smarter in these economic times, however. While Senator Buttimer can be adversarial at times, he made some great points this evening. Senator Fitzgerald acknowledged that the OECD has highlighted the things we are doing right. She was gracious enough to quote from the OECD report time and again. One cannot say that we are doing everything right, however. No Government and no person has ever done everything 100% right. We are attempting to do that and we have taken huge steps to that end. We are doing much better, proportionately, than we were ten or 15 years ago. The Irish people are demanding that we do better.

Some of my learned colleagues in the Gallery — I am not allowed to refer to them by name — have said that there are no votes to be gained in local, European or general elections from showing an interest in overseas aid. That does not mean that the Government or the Members

[Senator Mark Daly.]

of the Oireachtas should not pursue a policy of helping those who do not have an effect on our parliamentary system. The right thing to do is to pursue such a policy. Like the Minister of State and everyone else in this Chamber, I regret any backward step that is taken in respect of overseas aid. When the economy turns around, I believe we will take financial steps to help those in the world's poorest economies in the long run. Ten years ago, we would not have imagined that we would be giving so much money to the poorest people in the world. We would not have envisaged that the OECD would be lauding Ireland for the efforts it has taken to date. It is obvious that backward steps have been taken in recent times. I hope that in ten years' time, Ireland will have surpassed the 0.7% goal. It is a target that is ahead of other EU countries. When we have a similar debate ten years from now, I hope we will be proud of our achievements.

Senator Joe O'Toole: Does the Senator reckon that Fianna Fáil will still be in government?

Senator Mark Daly: I do not know. I do not have my crystal ball with me tonight.

Senator Maurice Cummins: Will the Senator support the Fine Gael amendment?

Senator Joe O'Toole: Fianna Fáil might be back in government in ten years' time.

Senator Mark Daly: Of course there will be elections between now and then. I suppose we will have to go for re-election at some stage. I commend the motion to the House.

Amendment put.

The Seanad divided: Tá, 17; Níl, 25.

Tá

Bradford, Paul.
Burke, Paddy.
Buttimer, Jerry.
Cannon, Ciaran.
Coffey, Paudie.
Coghlan, Paul.
Cummins, Maurice.
Doherty, Pearse.
Fitzgerald, Frances.

Hannigan, Dominic.
McCarthy, Michael.
McFadden, Nicky.
Mullen, Rónán.
Norris, David.
O'Toole, Joe.
Regan, Eugene.
Ross, Shane.

Níl

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.

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

Tellers: Tá, Senators Jerry Buttimer and Maurice Cummins; Níl, Senators Camillus Glynn and Diarmuid Wilson.

Amendment declared lost.

Senator David Norris: I move amendment No. 2:

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

“condemns the Government for breaking the commitments clearly and repeatedly given to reach the 0.7% target for development aid.”

Senator Joe O’Toole: I second the amendment.

Amendment put.

The Seanad divided: Tá, 16; Níl, 26.

Tá

Bradford, Paul.
Burke, Paddy.
Buttimer, Jerry.
Cannon, Ciaran.
Coffey, Paudie.
Coghlan, Paul.
Cummins, Maurice.
Doherty, Pearse.

Fitzgerald, Frances.
Hannigan, Dominic.
McCarthy, Michael.
McFadden, Nicky.
Mullen, Rónán.
Norris, David.
Regan, Eugene.
Ross, Shane.

Níl

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.

Leyden, Terry.
MacSharry, Marc.
Ó Domhnaill, Brian.
Ó Murchú, Labhrás.
O’Brien, Francis.
O’Donovan, Denis.
O’Sullivan, Ned.
O’Toole, Joe.
Ormonde, Ann.
Phelan, Kieran.
Walsh, Jim.
White, Mary M.
Wilson, Diarmuid.

Tellers: Tá, Senators David Norris and Joe O’Toole; Níl, Senators Camillus Glynn and Diarmuid Wilson.

Amendment declared lost.

Senator Rónán Mullen: I move amendment No. 3:

To add after “aid programme”:

“— notes that the OECD/DAC also said: ‘the challenge for the Government is to reach these targets despite severe economic downturn and increased budgetary pressure’. That DAC also urged the Government ‘to refrain from further budgetary action that would undermine this commitment’;

— notes the recent concession by Minister of State for overseas development, Deputy Peter Power, that decentralisation of Irish Aid from Dublin to Limerick had caused a loss of key personnel;

[Senator Rónán Mullen.]

- notes that Ireland has slipped back from progress towards its ODA commitments this year as a result of €195 million in combined cuts in February and April;
- notes that despite the Government saying it is committed to meeting the UN target of spending 0.7% of GNI by 2012, it will, in fact, slip backwards from 0.58% in 2008 to a projected 0.48% this year after the February and April cuts;
- notes that the serious slippage in ODA/GNI performance projected for 2009 has caused Irish development NGOs, as a sector, to suggest that it is now unlikely that Ireland will meet the Government's own interim target of spending 0.6% of GNI on ODA by 2010;
- expresses concern that it sends a strange message for the Government to celebrate its ODA achievements while, at the same time, cutting back on programme areas where we have already made an investment;
- regrets that Ireland's overseas development aid budget was disproportionately targeted for cuts, reducing the entire aid budget by 22% in the past ten months;
- regrets the lack of transparency in the manner in which these cuts have been implemented;
- regrets the statement attributed to the Minister of State, Deputy Peter Power, that he had sought to protect emergency funding and bilateral aid, which 'produces more results', in this year's budget;
- reminds the Government that the work of Irish aid agencies and Irish missionaries are the cornerstone of the Irish public's support of the Irish Aid programme;
- reminds the Government that the report of its Hunger Task Force in September 2008 noted that 'regardless of the current international economic climate, without both developed and developing countries acting on their commitments, hunger will not be reduced';
- reminds the Government of the separate target, set out in the recommendations of the Hunger Task Force, of working 'towards an indicative target of 20% of its ODA to actions to alleviate and eradicate hunger';
- urges the Government to publish detailed figures on all disbursements from Irish aid in this fiscal year, and to allow a comparison of these figures with those for the last fiscal year;
- urges the Minister to set out how plans to redress the impact of decentralisation of Irish Aid to Limerick;
- urges the Government to immediately stop the cuts and build up the programme so that Ireland actually meets its commitments instead of merely talking of them; and
- calls on the Government to ensure that the next budget sees us meeting our commitments beyond 2012 and into the future."

Senator Shane Ross: I second the amendment.

Amendment put.

The Seanad divided: Tá, 17; Níl, 25.

Tá

Bradford, Paul.
Burke, Paddy.
Buttimer, Jerry.
Cannon, Ciaran.
Coffey, Paudie.
Coghlan, Paul.
Cummins, Maurice.
Doherty, Pearse.
Fitzgerald, Frances.

Hannigan, Dominic.
McCarthy, Michael.
McFadden, Nicky.
Mullen, Rónán.
Norris, David.
O'Toole, Joe.
Regan, Eugene.
Ross, Shane.

Níl

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.

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

Tellers: Tá, Senators Rónán Mullen and Shane Ross; Níl, Senators Camillus Glynn and Diarmuid Wilson.

Amendment declared lost.

Question put: "That the motion be agreed to."

The Seanad divided: Tá, 23; Níl, 17.

Tá

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

Leyden, Terry.
MacSharry, Marc.
Ó Domhnaill, Brian.
O'Brien, Francis.
O'Donovan, Denis.
O'Sullivan, Ned.
Ormonde, Ann.
Phelan, Kieran.
Walsh, Jim.
White, Mary M.
Wilson, Diarmuid.

Níl

Bradford, Paul.
Burke, Paddy.
Buttimer, Jerry.
Cannon, Ciaran.
Coffey, Paudie.
Coghlan, Paul.
Cummins, Maurice.
Doherty, Pearse.
Fitzgerald, Frances.

Hannigan, Dominic.
McCarthy, Michael.
McFadden, Nicky.
Mullen, Rónán.
Norris, David.
O'Toole, Joe.
Regan, Eugene.
Ross, Shane.

Tellers: Tá, Senators Camillus Glynn 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: At 10.30 a.m. tomorrow.

Adjournment Matters.

Organ Retention.

Senator Maria Corrigan: I thank Senator Doherty for facilitating me with a change in the order this evening. I welcome the Minister of State and thank the Cathaoirleach for allowing me to raise this very important matter. The issue of organ retention by Irish hospitals is highly emotive for the families of those involved and of significant national importance.

In 2007, following the review carried out by the HSE on organ retention, the Minister for Health and Children agreed to establish an independent audit of 32 hospitals. This was done in response to the concerns raised by Parents For Justice about the accuracy of the audit performed by the HSE. The independent audit has been undertaken by Michaela Willis, chairperson of Britain's National Committee Relating to Organ Retention and former chairperson of the Bristol Heart-Children Action Group.

Parents and families have confidence and trust in Michaela Willis and the audit she is carrying out. There is, however, growing concern about the delay in the publication of this independent audit, and I would appreciate if the Minister could answer the following three questions because the parents and families would greatly appreciate knowing more about the current situation. Has the Report been completed? Has the HSE or the Department of Health and Children received the final report? When will the full and final Report be published officially?

Minister of State at the Department of Health and Children (Deputy John Moloney): The unauthorised removal and retention of organs of deceased patients was an issue of great public concern when it came to light. The grief and suffering of the families concerned is deeply regretted.

It has been established that the post mortem examinations were carried out according to best professional and international practice and that no intentional disrespect was shown to deceased children or their families. However, it is clear that communication between hospital staff, parents and next-of-kin was poor. People were not told that, in line with standard medical practice, organs might be retained at a post mortem.

The aim now is to ensure the health service response at the time of loss treats the deceased and their loved ones with dignity and respect. As the Senator is aware, the Government appointed Dr. Deirdre Madden, a distinguished expert on medical law, to report on key issues in post mortem practices and procedures.

Dr. Madden's report recommended that legislation should be introduced to ensure no post mortem examination would be carried out and no tissue or organ retained from a post mortem examination for any purpose without appropriate authorisation by, for example, the individual, the parents or the next-of-kin. For paediatric post mortems, Dr Madden recommended that "an independent audit must be carried out of currently retained organs in all hospitals in the State".

On foot of this, the Health Service Executive commissioned Ms Michaela Willis to undertake an independent audit. Ms Willis was a founder member and Chairperson of the British National Committee Relating to Organ Retention and was also a member of the British Human Tissue Authority. Ms Willis also served as a member of the Royal College of Pathologists working

group on organ and tissue retention at post mortem examination in Britain and has extensive knowledge and experience dealing with bereaved families over the past decade.

The Minister understands that field work for Ms Willis's independent audit, which included site visits to all of the hospitals that carry out post mortem examinations in the State, has been completed. These data are being compiled and a report based on the audit is currently being finalised by the author. When this report of the independent audit is completed, the Health Service Executive will make preparations for its publication. This process will be completed later this year.

On Dr. Madden's recommendations for legislation in this area, the Department of Health and Children is currently holding a public consultation on draft proposals for human tissue legislation. These draft proposals provide for regulation of the removal, retention, storage, use and disposal of human tissue from deceased persons, and the use of donated tissue from living persons for the purposes of transplantation and research.

The types of activities covered by the draft proposals include hospital post mortem examinations and the use of organs and tissues for transplantation, research, anatomy and education. The public consultation, which was launched on 9 April, is open until 29 May. The proposals have been sent to interested parties, including parents' organisations and medical bodies, for their consideration. This information is also available on the Department's website. As the Minister said at the time of the launch, it is important that these activities take place under a clear legal framework that protects the living and the deceased and respects the autonomy of the individual and the rights of the bereaved. The report will be concluded and published by the end of the year.

Home Help Services.

Senator Pearse Doherty: Cuirim fáilte roimh an Aire Stáit. Ba mhaith liom an tacaíocht atá ar fáil ina dtithe féin do seandaoine agus daoine tinn a phlé. Is cúis imní í an cheist seo do mór-chuid daoine i Chontae Dhún na nGall. Tá ganntanas uaireanna home help ar fáil faoi láthair. Níl an tseirbhís sin ag leathnú amach mar a bhí sé san am atá thart. Tá daoine ag cailleadh uaireanna, pá agus postanna de bharr sin.

The issue I wish to raise is the reduction and withdrawal of some of home help services in County Donegal. We have heard many times from the Government that it protects the old and vulnerable but the truth from what I am hearing on the ground in County Donegal is that this is not the case. I have heard this from different individuals, from people who provide home help services, from those who are losing the service and from the daughters and sons of parents who are old and frail and need the support and the type of care that has been provided in the past.

Home help hours are being reduced or services are being discontinued. In a case of an elderly person who cannot get out of bed the hour and half of personal care that person was being given has been reduced to 20 minutes. In other cases the home help service has been discontinued at the weekend. The laundry service provided the HSE in the Manorcunningham area of County Donegal, an example of other services provided, has not been in operation since November last year and the HSE has cited that it cannot find a replacement for the person who used to provide the service.

The unions are fearful that the home help service is being run down by the Government and the HSE and that this service is in the process of being privatised. The unions in the county cannot arrange a meeting with the HSE for a number of months yet. There is serious concern about the continued provision of this service. All those issues are important in terms of meetings and how they will be resolved, but behind all of that are people who need the support and help of those who provide this service.

[Senator Pearse Doherty.]

In the case of some people nobody calls to them except the woman or the man who provides the home help service. Many of these carers continue to provide the service in a voluntary capacity. We have debated in this Chamber the importance of volunteerism. However, we cannot ignore the fact that people need to be paid and a proper service needs to be put in place, namely the home help service, and home help hours need to be retained.

When the unfortunate situation arises that a person passes away, even though there are people waiting for and deserving of the home help service, the people who provide that service are not being given new clients. There is a fear this service is being whittled away and downgraded and that it will be discontinued and the service will be privatised in the future.

I ask the Minister of State to clarify the position of the Minister for Health and Children on the provision of this service. I am sure what I said is not unique to County Donegal but I can only speak about the real life experiences relayed to me by the elderly people concerned, their carers and families.

Deputy John Moloney: I am taking this matter on behalf of my colleague, the Minister, Deputy Harney, who cannot be here.

I thank the Senator for raising this issue as it give me the opportunity to re-affirm the Government's continued commitment to services for older people generally and, in particular, to the important area of the home help service.

Government policy in regard to older people is to support people to live in dignity and independence in their own homes and communities for as long as possible. Where this is not feasible, the health service supports access to quality long-term residential care where this is appropriate. This policy approach is renewed and developed in the partnership agreement, Towards 2016.

The development of these services nationally reflects the prioritisation and significant investment by the Government in recent years with, for example, just more than €200 million additional funding provided to develop or expand such services over the period 2006 to 2008. This additional funding related, for example, to home care packages, home help, meals-on-wheels and day respite care. Home care services are delivered either directly by the Health Service Executive or on behalf of the executive in partnership as appropriate with the voluntary sector or through private providers.

Specifically, the position in regard to the home help service shows, for example, expected expenditure this year of €211 million by the HSE, including more than €55 million development funding provided since 2006; an increase from 10.8 million home help hours in 2006 to nearly 12 million hours this year; and numbers benefiting increasing from 41,400 in 2006 to around 54,500 this year.

The home care packages are a relatively new initiative, introduced in 2006, and developed in the meantime across the country through a phased investment of €120 million new funding made available by the Government. A package comprises a variety of community based services and supports, including a significant home help element in many cases, to meet the needs of an older person. Clients may have significant medical, nursing and-or therapy requirements and may be recently discharged from hospital, or at risk of admission to hospital, if such needs are not met in a planned way. The HSE service plan envisages around 8,700 people benefiting from packages at any one time, or more than 11,000 people benefiting over the course of the full year.

It is important to stress that, notwithstanding current financial pressures generally, the Government has made every effort to protect home care services for older people. This year,

the HSE aims to deliver the same quantity and quality of home help and home care packages nationally as delivered in 2008.

I understand that, in the first quarter of 2009, the HSE in Donegal provided 54,246 home support hours per month. This is in excess of budgeted hours, which is set at 52,000 hours per month for 2009. Since 2003, there has been a 60% increase in home help hours delivered to older people in Donegal. In addition, 191 people in Donegal benefit directly from home care packages. The local health office provides the third highest number of home help hours *per capita* to those over 65 years of age out of 32 local health offices nationwide.

The HSE has indicated it is intended to achieve efficiencies in service delivery, by reviewing the scale of provision on Sunday and bank holidays in particular where premium pay rates apply. The aim is to meet patient needs through a variety of supports, including public health nursing, day hospitals, day centres, home care packages etc. Any person who is dissatisfied with the level of home support can appeal the decision to the HSE appeals officer in the north west.

It is clear the Government has made considerable improvements in recent years to enhance home care provision generally across the country, including in Donegal. There is no doubt that demand can at times exceed service resources. I am satisfied, however, that the HSE will continue to deliver the home help service in the best manner possible, taking account of evolving financial circumstances at national and local level.

Senator Pearse Doherty: I thank the Minister of State for his response. I note he has referred to old figures. He mentioned the HSE in Donegal is providing 54,246 home support hours per month, which is 2,246 hours in excess of those budgeted for. I have outlined the position for the Minister of State. The truth of what is happening on the ground is that home help hours are being cut across the board in County Donegal. Is it the position that the HSE has to remain within its budget and therefore 2,246 home help hours are been removed from people in County Donegal? Can we be assured that the number of home help hours provided in the county will not drop below 52,000 per month?

Deputy John Moloney: I reiterate my response that the aim of the HSE is to deliver the same level of service as it delivered last year. However, I must add the caveat that it is reviewing the premium rates paid at weekends. That is possibly what the Senator has been hearing on the ground. The HSE intends to deliver the same level of service in terms of home support hours.

Services for People with Disabilities.

Senator Nicky McFadden: I wish to share one minute with Senator Cassidy.

An Cathaoirleach: That is agreed.

Senator Nicky McFadden: I thank the Minister of State for being present to note this serious matter I raise on behalf of residents in St. Peter's Centre in Castlepollard. My information is that a number of residents were to be moved from this institution and integrated into the community of the greater Westmeath area. As the Minister can imagine, this was great news for the families, particularly for the aging parents who would see their sons and daughters finally settled and living independently with dignity and in safety.

In 2000, the HSE purchased ten houses around the Mullingar area and these were left idle and allowed to become dilapidated and unfit for living. This is an example of the waste of money over which the HSE has presided and how it has failed the most vulnerable in our society. We have come out of a period of immense wealth, but people with intellectual disability could not be given their own space to live in, decorate as they wish, have their own possessions, cook and invite in visitors. It is a lack of the HSE prioritising people with mental health issues.

[Senator Nicky McFadden.]

I would like the Minister to come to the Seanad and tell us how many actions from A Vision for Change have been realised. Is it just another glossy document? It is in operation for three years and it arises here time and again.

In recent weeks, a number of the families have contacted me and informed me that three houses had been allocated. I have been particularly concerned about a case involving a daughter whose family was told the houses were not to go ahead. They were devastated. It has a knock-on effect for families. The houses were ready and renovated to a very high standard. The HSE is so uncaring and out of touch to have pulled the plug on this development just because it has inadequate staffing levels. The family contacted the HSE and received a cold-hearted, one-line e-mail. Can the Minister imagine if that were his son or daughter? I live my life by putting myself in the position of such people. The lady in question has been living in St. Peter's for 20 years and her family was so excited about her finally being settled once and for all. It is high time she and her friends were allowed to live with dignity and independence. The Minister is familiar with the model of choice whereby the individual has a service designed to meet his or her particular needs and it is the most respectful way we can support people with intellectual disabilities.

Why does the HSE not work a shift staffing system like the other non-statutory organisations? In the non-statutory sector there is one member of staff for one resident, whereas the HSE has nearly twice as many. The Mental Health Commission has said it is more important than ever that the Government stick to its commitment to ring-fence funding from the sale of all the mental health institutions, which the Minister is reviewing, and I urge him to ensure that happens and that the money is not subsumed into the black hole that is the HSE. Mental health has always been the poor relation and I fear people with mental health issues will be even further down the pecking order.

I am aware the Minister is connected with what is going on. I ask that the staffing moratorium be lifted and the whole-time equivalents needed be provided so these residents can get on with their lives.

Senator Donie Cassidy: In my home town of Castlepollard I can look back to when the Cathaoirleach was chairman of the health board and the Minister and his father were members of the health board with us when we took the decision to place these very important patients out in the community. It was a great step forward. I thank all the members of the board at that time who allowed the three fabulous residential houses in Castlepollard for patients to come out into the community and give them a quality life in the beautiful rural lake district of County Westmeath. I look forward to quality living for these patients in the future.

The outstanding staff in St. Peter's Hospital over the years have given these patients tremendous care to allow them to come out into the community and give them their independence with help and support. We, as public representatives in the midland health board area, worked as hard as we could to get the Minister and Government of the day to put the funding in place so this could happen. The Minister comes from the midland district and has the practical experience along with all of us who served on the health board. We can say this is a great day and if staffing levels are the problem we want to stress to the Minister, as Senator McFadden said, that it is a wonderful step forward in quality living for the patients who will be the beneficiaries for the rest of their lives.

Deputy John Moloney: I thank Senator McFadden for raising the issue, and Senator Cassidy. I thank Senator McFadden for the invitation to come into the House, and I will do so. I do not mean to long-finger this. I do not blame any Senator for expressing concern about the recommendations in the Government's reform programme, A Vision for Change. It is fair and proper for me to say that not alone is Senator McFadden dissatisfied with the pace of change

and implementation of the recommendations, but Dr. Ruth Barrington and the monitoring committee for A Vision for Change have already made those points quite clearly, as has the implementation body.

I will outline my strategy in this area. It is very important that a number of parts of the programme for reform be put in place first. Over the last three years many people have asked for a lead director, somebody specifically with responsibility for driving A Vision for Change. Part of my ongoing proposal to start delivering the recommendations was to put such a person in place. I am pleased to tell the House that last week the HSE has accepted that and will very shortly interview to put the lead mental health proposer in place to deliver on that.

My second point deals with Castlepollard. I fully support the notion that in an era where we will not have new development money it was never more essential to provide funding for mental health. I see that through the sale of assets and the realisation of the values there. This message keeps getting lost. I am not saying Senator McFadden is losing the message; far from it. I do not mind any Senator being in some doubt. The reality will be very clear. A Vision for Change is predicated on delivering the recommendations based on the securing of the asset value. If that is not the case, that means A Vision for Change cannot become a reality. A Vision for Change is the current reform package in mental health and whatever funding is secured from the sale of properties will be ring-fenced for mental health.

People can suggest that this has not happened in the past. I will not waste time delving into the past. I can talk only in terms of the enactment of A Vision for Change. The revenue from the properties that have been sold since the publication of A Vision for Change amounts to €54 million. That figure was raised by the sale of St. Loman's Hospital in Dublin.

8 o'clock

There was never any suggestion of selling St. Loman's Hospital in Mullingar.

People there thought I was very cutely coming in at dark of night to sell off St. Loman's Hospital in Mullingar and disappear back to Mountmellick. That was never the case but, unfortunately, the press release apparently gave the impression it was St. Loman's in Mullingar. That €54 million will be the first tranche of money going into delivering the recommendations.

The most important development has been that the leader in mental health will report specifically to the Minister. That person's role will be to deliver on the recommendations. To answer the Senator's questions, I look forward to coming to the Seanad. I am asking for some time for the moment. I have targeted September to revisit A Vision for Change and to make clear commitments on when the properties will come on the market and what they will deliver by way of capital programmes.

It is very important to deal with ongoing revenue demands. In that context, I am working with many of the organisations providing mental health services to see how we can deliver that package. I do not blame Senators for wondering whether A Vision for Change is alive. It is and if they give me some months, I will prove that.

The matter raised relates to A Vision for Change. It depends on services in the community. Castlepollard is one example of that. Where properties are secured for the delivery of community supports, the follow-on is that I must, in some way, find the resources to ensure staff can be provided to those houses.

The co-ordination and planning of services to meet the needs of people with disabilities form a central tenet of the national disability strategy. A critical element of such co-ordination and planning is the requirement to provide financial support for the development and implementation of services. An integral part of the national disability strategy is the multi-annual investment programme announced in the 2005 budget which provided €9 million for services.

In terms of services for people with physical and sensory disabilities, 275 new residential places and 911,000 extra home care personal assistance hours have been provided. A total of

[Deputy John Moloney.]

406 places in the intellectual disability residential service have been enhanced, 61 respite places have been enhanced and 43 residential places in the physical and sensory disability service have also been enhanced.

In regard to the matter raised by Senators McFadden and Cassidy, I understand from the HSE that there are two phases to the transfer programme from St. Peter's care centre for residents into smaller domestic-type dwellings in the community. I further understand from the HSE that 15 residents were transferred in 2003 resulting in the closure of the full unit known as Hilltop. They are now living in the community. According to the HSE, phase one of the transfer programme has worked well and has impacted very positively on the lives of those residents.

At present, the HSE is in the final stage of phase two of the St. Peter's transfer programme. This involves the opening of the three houses to which the Senators referred. It will mean the transfer of 17 residents from St. Peter's care centre and the closure of the full unit, Manor House.

The houses are now ready, the residents have been identified and the preparatory work has been undertaken. The HSE has confirmed that it is currently considering staffing this phase of the programme from within its existing resources.

I reaffirm the Government's commitment to people with disabilities. The Senators asked when staffing levels will be resolved and when the houses will be opened. I have met many of the families involved and have given them a clear commitment that this is an issue which I am pursuing with the HSE and the Department. This morning I renewed negotiations and talks with the Department of Health and Children and the HSE. Having embarked on that strategy, it is up to us to work out how we will staff not only Castlepollard, but other properties. It will not be long-fingered and I intend to come back to the House as quickly as possible with those proposals. Naturally, I must accept the stark reality that the houses have been prepared, the residents have been notified and the next step is to ensure the transfer happens as quickly as possible.

Senator Nicky McFadden: I thank the Minister of State for the very detailed and comprehensive reply. I know he will do his best and I thank him for that. A number of people retired in Castlepollard and that is the reason for the problem. They do not have the staff. From where will they get the staff? I commend Mr. Joe Ruane and Ms Maura Morgan from the HSE to whom I have been speaking. They are at their wits end. It is through no fault of theirs; it is just the staff are not there. The moratorium will have to be lifted.

Deputy John Moloney: I understand Senator McFadden is seriously concerned. I have met Ms Maura Morgan, Mr. Joe Moran and Mr. Donal Fitzsimons. I do not want to give the Senator an answer for the sake of it. I accept fully this issue must be dealt with. The Department and the HSE must work out how we can increase staffing levels. This morning I gave the Department certain figures and have asked whether we need that level of staffing.

I have given a commitment to deal with this issue. The same situation applies in my home county and I want it dealt with as quickly as possible. My ambition is to close the Alvernia unit for the intellectually disabled attached to St. Fintan's hospital in Portlaoise, not tomorrow but yesterday, and the people accommodated in the community. I have made that commitment which is an essential part of what A Vision for Change is all about. I see little point in delaying this while at the same time telling the Senator I am all for A Vision for Change.

The Seanad adjourned at 8.10 p.m. until 10.30 a.m. on Thursday, 21 May 2009.