



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

SEANAD ÉIREANN

TU AIRISC OIFIGIÚIL—*Neamhcheartaithe*
(OFFICIAL REPORT—*Unrevised*)

Thursday, 14 October 2010.

[illegible]

SEANAD ÉIREANN

Déardaoin, 14 Deireadh Fómhair 2010.
Thursday, 14 October 2010.

Chuaigh an Cathaoirleach i gceannas ar 10.30 a.m.

Paidir.

Prayer.

Business of Seanad

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

The need for the Minister for Enterprise, Trade and Innovation to outline the measures the Government is taking to guarantee the swift payment of bills by Government agencies to their creditors.

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

The need for the Minister for Education and Skills to outline the progress being made in the provision of extra permanent accommodation at St. John the Baptist national school, Midleton, County Cork.

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

Order of Business

Senator Donie Cassidy: At the close of the Order of Business yesterday I gave an undertaking to the House that I would endeavour to deal with the matter Senator O'Sullivan had brought to the attention of the House regarding the Shannon LNG Terminal at Ballylongford, County Kerry. I have received a detailed response from the office of the Minister for the Environment, Heritage and Local Government, Deputy Gormley, and the Senator is satisfied at this stage that this is as much as the Government and the Department can do. The project is at a very advanced stage and I am confident everything is proceeding with speed in order to have 500 to 1,000 jobs created at the site in Ballylongford. I can provide a copy of the correspondence for any Member who wishes to read it.

The Order of Business is No. 1, statements on the national spatial strategy update and outlook report 2010, to be taken at the conclusion of the Order of Business and conclude not later than 2.15 p.m., on which spokespersons may speak for 12 minutes and all other Senators for ten minutes and Senators may share time, by agreement of the House, with the Minister to be called upon to reply ten minutes before the conclusion of the debate for closing comments and to take questions from leaders or spokespersons.

Senator Liam Twomey: Will the Leader consider writing to the Chilean ambassador to offer the congratulations of all Members of the House on the successful rescue of 33 miners?

The issue of a debate on the need for consensus is now moving quickly and I am pleased that this is the case, as Fine Gael is a party which always looks for solutions to our problems——

Senator Jim Walsh: Who wrote that for the Senator?

An Cathaoirleach: No interruptions, please.

Senator Liam Twomey: Our first responsibility is to the people, both young and old, not to international bondholders and meeting their concerns. That is the reason we are moving towards a consensus approach. Some 440,000 people are unemployed and our fastest growing export is our well educated young people.

Senator Donie Cassidy: That is not true.

Senator Liam Twomey: Members on the Government side of the House will have been well informed that the public finances are in a parlous state. We have to ask who put us here and what will be the outcome. However, we have to look forward also. If we do not take radical action quickly, we will put the future pensions of the elderly and retired civil servants at stake. The salaries of public servants will also come under pressure because of the state of the public finances, which is a concern. We have to be worried about what will happen because of the deterioration in the public finances. The problem requires a rapid solution. It is, unfortunately, a mess into which the Government has walked us. That is one of the reasons Fine Gael wishes to see if it can contribute to finding a solution. The Government is highly discredited and it is with gritted teeth that we will go into discussions with the Government that has landed us in such a mess.

Senator Joe O'Toole: I am glad someone was listening to us over recent days when we were urging people to get together, hold hands and meet around the table. It is good to see this happening and I look forward to hearing a response from the Labour Party later today. The Labour Party seems to be taking its time on this decision and it is the first time in a while that Fine Gael got out of the traps ahead of the Labour Party.

Senator Dan Boyle: They are not used to making decisions.

Senator Joe O'Toole: It is interesting to watch this from the sidelines and we wish them all well. I apologise for raising the matter of public sector reform day after day. We had a long, important debate in this House yesterday. The Government's policy on public sector transformation must have a trickle-down effect to every part of the public sector. If it does not, it will not work. A superb report was produced by Mr. Pat McLaughlin on local government in the summer. My colleagues elected to the Seanad from various panels may not be enthusiastic about the idea to merge county councils and local authorities. There is supposed to be a moratorium on jobs and a reform and review of local authorities. Week after week, I see jobs at senior level in local authorities being advertised, including advertisements for assistant directors in the HSE and senior positions in Cork local authorities. In today's newspaper, one sees senior jobs advertised by Offaly County Council and Meath County Council. My understanding is that these posts must be approved by the Department of the Environment, Heritage and Local Government. Although I stand to be corrected, I guarantee the Minister has never been told a word about these jobs.

Why is there a lack of political traction on the matter of public service reform? Why is there administrative inertia in dealing with it? Why are senior civil servants taking decisions that are

undermining Government policy on public sector reform. I would like answers to these questions. Who is clearing the advertising of these jobs? They could be filled in an acting capacity until the review has taken place. The key issue in public sector reform at senior level is flexibility so that people can move from one place to another. If we start filling jobs now, that process becomes more difficult. There is a lack of joined-up effort in this regard. Government policy is not in sync with administrative operations and that is unacceptable. I gave the example of the local authority in Offaly but I have no problem with it. I have no interest in how it does its business. This example in the newspapers is undermining everything that was said by the Minister of State, Deputy Calleary, yesterday. I am sure he knows nothing about these jobs. Someone must get back on track on these issues.

Senator Alex White: We will give a considered response in the course of the day to the letter the Taoiseach sent at 5 p.m. yesterday. The Labour Party has no difficulty talking to anyone, including the Government, about economic issues. It is odd how this has come about after a period of four or five days. The Taoiseach initially appeared to pour a lot of cold water on what the Minister, Deputy Gormley, said and then decided to write a letter yesterday. It is interesting to read the letter, which does not mention consensus or the basis for the meeting. It mentions that a meeting should take place in order for the Opposition parties to confirm their agreement that the deficit should reach 3% of GDP by 2014. There is no difficulty in having a discussion about that but it remains to be seen what else is in mind.

I can be excused a certain amount of cynicism, or at least scepticism, about the Government's intentions because of my direct experience. Two and a half years ago, a committee was set up to examine amending the Constitution to enhance children's rights. A member of that committee was the Minister of State with responsibility for children and youth affairs, Deputy Barry Andrews, and the Minister for Justice and Law Reform attended the meetings from time to time. After much heavy lifting, serious work, careful analysis and consensus across all parties, excluding the Green Party, the committee came up with the wording and presented it almost one year ago. Some ten months later, the Government says that it is not really sure about this and believes there may be unintended consequences. The Minister of State with responsibility for children and youth affairs and the Minister for Justice and Law Reform have all the advice available from the Attorney General and Departments. If they were serious about participating in consensus and working across the Houses to improve something in a tangible way in this country, they would have participated in a manner that showed they were dealing in good faith. That is the best example of when the Government says one thing and does something else.

Visit of Québec Delegation

An Cathaoirleach: Before I call the next speaker, I am sure Members of the House wish to join me in welcoming a delegation from the National Assembly of Québec, led by Mr. Yvon Vallières, president of the assembly. On my behalf and on behalf of my colleagues in Seanad Éireann, I extend a warm welcome to them and sincere good wishes for a successful visit.

Order of Business (Resumed)

Senator Dan Boyle: I am glad the necessity for initiatives made in recent weeks, and the sincerity with which they were made, is being understood. I am somewhat saddened that it takes a number of letters and a number of people to write those letters for the message to sink in.

Senator Jerry Buttimer: It is a matter of how one does it. Senator Boyle should read Dick Spring today.

Senator Liam Twomey: It took three years to write the letter.

Senator Dan Boyle: I am further saddened that the lack of consensus on these issues to date is being prolonged unnecessarily by people continuing to look at this as a points-scoring exercise. We have a serious situation in respect of our public finances which is exacerbated by the financial institutions' situation, but we are an economy with economic growth, a positive balance of payments and, with the necessary political will over a particular timeframe, we are better positioned than most to get over this set of circumstances. It requires a degree of political consensus to bring this about. I am more hopeful than I have been because I get the sense that all Members in this House are beginning to understand that we are in the middle of an electoral cycle and an economic cycle. The decisions taken by the Government will have an impact on the Government that follows an election. Once that is understood, the country can move on. When those who want to take that responsibility are prepared to take those decisions, our country will be better for it.

Senator Alex White: He let the cat out of the bag there.

Senator Ciaran Cannon: Following Senator O'Toole's comments about the inertia in bringing about real public service reform and the inflexibility that exists in redeploying people, I can provide a worrying example in the HSE west region. Portiuncula Hospital kindly offered a surgical day clinic for plastic surgery in the hospital because it had the capacity, beds, nurses and porters to accommodate it. Unfortunately, that service had to be suspended because the consultant carrying out the clinics cannot find the administrative support to continue. Within HSE west, he cannot find a clerk to write 24 letters a month to maintain the service. The 72 patients lined up between now and the end of the year for day case plastic surgery must now join a waiting list of 2,156 patients in University College Hospital Galway. A number of months ago, HSE west spent €90,000 on a report by consultants Mott MacDonald. On page 4 of the report, it is recommended that HSE west should explore opportunities to redeploy corporate staff to support individual organisations. Some 813 corporate staff are employed by HSE west and it is my understanding that it is possible to redeploy one of them to Portiuncula Hospital to have the service maintained. That is a crystal clear example of what Senator O'Toole was talking about. If the HSE and other public service organisations are genuine about public service reform, this simply should not be happening. We have a great record of producing report after report and choosing not to act on them.

Senator Labhrás Ó Murchú: The rescue of the Chilean miners has captured the imagination of the whole world. What we have seen is the seemingly impossible made possible. The Chilean President put it exceptionally well when he said Chile would never be the same again, that the people were more united than they had ever been before. The reason they are united is they are united in the face of adversity. There is no nation that can identify with that philosophy and achievement more than Ireland. Looking back on our history, we overcame what had seemed like insurmountable obstacles. One thing we discovered was that there was no boundary to the triumph of the human spirit, unless we ourselves put obstacles in the way. Like many other countries, Ireland is in a very deep hole economically. We can continue digging or come up with a plan, unite and try to get back onto *terra firma* once more. I have been listening to and contributed to the debates in this House since we first became the country was in recession. I have heard many positive voices, of people of vast experience, all of whom are very honourable in their own right, and now see light at the end of the tunnel, whether it is in the letter from the Taoiseach or the Minister for the Environment, Heritage and Local Government, Deputy Gormley. From where the letter comes does not matter. What matters is the problems and the human toll — people who cannot repay mortgages, do not have jobs or hope and confidence.

In the name of God, let us take inspiration from what we have seen in recent days in Chile because if we do not, history will not be kind to us for remaining idle at a time like this.

Senator Eoghan Harris: Consensus means there is an agreement to agree on something, it does not mean there is agreement on what that something should be. These are early days. I congratulate the Green Party and Senators Bradford and MacSharry from opposite sides of the House for their persistence in that regard, as it is what the people want. Deputy Rabbitte of the Labour Party has announced he is puzzled by it. I am not as puzzled as the Taoiseach's colleagues in not understanding his slowness in grasping the merits of a proposal that would puzzle Deputy Rabbitte. He should have grabbed it from day one because if the end product was to puzzle Deputy Rabbitte it had great merits which he should have seen from the beginning.

I ask the Leader to arrange a debate on an issue raised by Senator Ó Murchú, our response to the recession which is not a product like the First World War but more of a process like the Second World War. It is rolling. Therefore, our reactions to it must be continually responsive. In that regard, I read this morning Dr. Peter Bacon's suggestion that some of our national assets should be sold in order to meet the difficulties of mortgage holders. Whatever about the merits of such a suggestion, it was a reminder that we do have wealth and national assets that could be sold. There is, therefore, money to be invested. It was an imaginative response by Dr. Bacon.

This House has an extraordinary wealth of political experience, as Senator Ó Murchú says, at the practical or sharp end of life. We are not the best in the world at planning, but we are and always have been extraordinarily good at imaginative improvisation under pressure. However, we have not had a chance to utilise that extraordinary ability. Under Daniel O'Connell, we improvised by organising mass meetings and engaging in mass agitation. We also improvised during the land war and by engaging in guerilla warfare. We improvised in relation to everything that was considered valuable in the State. Perhaps we might have a debate to allow Senators, without being put under pressure by the Whip or party, to share with us their views on how we might think outside the box, do radical things and use the Irish imagination in dealing with the recession.

Senator Cecilia Keaveney: I welcome the rescue of the Chilean miners. I acknowledge also the role played by Ireland — it was a drill brought from County Clare that was used to bore down and create the shaft through which they were rescued. In as much as Senator Ó Murchú was linking the rescue with the economic situation, I remind the House of Esperanza, which means hope, a little girl who was born to one of the miners while he was trapped.

As spokesperson on education and deputy spokesperson on Northern Ireland issues, having attended the Council of Europe last week where we debated a report on extremism and being a little cynical, I ask that we have a debate on the English language, but more so because of what we term criminal and thuggish behaviour being engaged in in the name of something else. In Strasbourg last week I complained that the word "extremist" was being used in respect of someone who wanted to blow people up, shoot or do others harm and said that this was not in keeping with my understanding of the English language. In the same vein, the term "dissident republican" is abused because a republican is a person who respects the idea that a republic is made up of people from many backgrounds on a shared piece of ground. In that context, I draw the Leader's attention to a story in today's edition of the *Irish Independent* entitled, "Gang Forced to Pay Protection". One of the country's most feared criminal gangs is paying protection money to dissident republicans in order to be able to deal drugs in its home city. That in itself merits debate, whether we are talking about the use of the English language or the direction in which Ireland is moving. I repeat a call I have made many times for a debate

[Senator Cecilia Keaveney.]

on republicanism in Ireland which would be connected to how we deal with the many commemorations by people on all sides with whom we aspire to sharing this land as a republic or an all-island republic. Such a debate would be timely in order that we call people what they are, criminals and thugs, not anything more glorified.

Senator Paul Coghlan: No one should be surprised by Fine Gael's and Deputy Kenny's response to the situation in which we find ourselves. I had been saying for some time that my party would respond positively and constructively. However, there was something peculiar, to say the least, about the fact that the leader of the minor party in government had taken it upon himself to write on his party's stationery, given that, when one formed an integral part of the Government, the initiative should have come from it.

Senator Jerry Buttimer: Hear, hear.

Senator Paul Coghlan: I am pleased that the right course has now been taken in that the Taoiseach, however reluctant, has written to Opposition leaders inviting them to take part in talks. Of course, we are going to engage in them. It reminds me of Liam Cosgrave's——

An Cathaoirleach: Does the Senator have a question for the Leader?

Senator Paul Coghlan: I am coming to it, a Chathaoirligh, as ever. It reminds me of Mr. Liam Cosgrave's closing line last night in the Mansion House when launching Mr. David McCullagh's book on his predecessor, Mr. John A. Costello, that his greatest achievement as Taoiseach was that he had made reluctant democrats of the Opposition, of Fianna Fáil.

Senator Donie Cassidy: He joined us.

Senator Cecilia Keaveney: Back to the future.

Senator Paul Coghlan: Hold on.

An Cathaoirleach: Is there a question for the Leader?

Senator Paul Coghlan: I am coming to it. The position is that at the time Fianna Fáil was known as the "slightly constitutional party". As Mr. Cosgrave said, he could have done no more and the country deserved no less.

Senator Donie Cassidy: The Senator should not go down that road now.

Senator Paul Coghlan: Therefore, in dealing with the current situation the party which has always put the country first will be true to first principles and basic beliefs.

Senators: Hear, hear.

Senator Donie Cassidy: The question did not come.

Senator Jim Walsh: I concur with those who welcomed the Taoiseach's letter to the leaders of the Opposition parties. I also pay tribute to the Minister for the Environment, Heritage and Local Government who showed enlightenment and courage in the face of ridicule during the past week. He took an initiative which was necessary, namely, putting the dire situation in which we find ourselves above party politics and asking all others to subscribe to the same motivation. I will not anticipate what the leaders of the Opposition parties will do, but I hope

they will show the commitment so well articulated by Senator Bradford and that they will rise to his level of response. The country awaits and needs such a response.

In talking about the national interest would Senator Regan be prepared to clarify in the House the motivation behind his letter to the European Commission on the establishment of NAMA, given the revelations in the High Court yesterday?

Senator Jerry Buttimer: In welcoming the Taoiseach's letter Fine Gael was the first party to support a budget deficit target of 3% by 2014, to recognise the need for a cross-party approach and the front-loading of budgetary corrections and to agree to a four year budgetary process.

Senator Dan Boyle: How?

Senator Liam Twomey: Before the Green Party letter was sent last week.

Senator Jerry Buttimer: We were the first to do so. Therefore, if the Government wants to demonstrate naked political cynicism, the Green Party leader showed how last week.

Senator Dan Boyle: Every day in the House the Senator says it cannot be done.

Senator Jerry Buttimer: The Minister for the Environment, Heritage and Local Government, Deputy Gormley, showed how consensus could not be reached; all he was trying to do was to save his own political life and that of Senator Boyle.

Senator O'Toole raised an important issue, the advertising of public sector jobs. There is supposed to be a moratorium on public sector recruitment, but there has been a plethora of jobs advertised. Who is responsible for this? In Cork a school traffic warden on a busy road cannot be substituted owing to a lack of cover. Senator Cannon has pointed out that front-line services are being hit and there are reductions in service delivery in hospitals and education. How can top jobs in the HSE and the public sector be advertised when we are depriving people of the delivery of vital services? This demonstrates the need for reform. We are either serious about the issue or we are not. We spoke yesterday about bringing workers in the public sector with us. The majority will follow us if they are given leadership, but the advertisements are not doing this.

Senator Terry Leyden: Will the Leader of the House make time available to Senator Regan to make a statement on a story in *The Irish Times* today about a letter he sent on behalf of the major developer, Mr. Paddy McKillen, to the European Commission regarding NAMA? It would be appropriate for the Senator to make a statement to the House clarifying his position. Was he acting on behalf of Mr. McKillen, or in his capacity as a Member of this House or as a member of Fine Gael? It would be appropriate for such an eminent person, a senior counsel and a shareholder in Goldman Sachs, to make a personal statement.

Senator Maurice Cummins: Is the court case ongoing? If it is, it would not be appropriate to discuss it here.

An Cathaoirleach: The case is before the courts.

Senator David Norris: I welcome and celebrate the decision to sign a contract for the building of the cystic fibrosis unit at St. Vincent's Hospital and warmly congratulate those splendid young people with cystic fibrosis who have led such a courageous and dignified campaign, including Ms Orla Tinsley and Ms Gillian McNulty who have done the State and fellow patients a great service. This is a good day and I look forward to the building being opened. While

[Senator David Norris.]

it will not be ready until 2012, Members on all sides of the House have strongly supported the project.

I support the remarks made by Senator Harris. We are a wonderful people and have extraordinary resources of talent. The one area in which we excel is showing imagination, creativity and what Senator Harris described as improvisation.

We all receive interesting messages from people around the country and Senator Cannon came out with some useful suggestions yesterday. I have received communications from a woman who has called for the creation of a State agency to take over idle buildings in prime tourist spots such as along the banks of the River Shannon and turn them into tourist facilities. If we were to advertise these abroad, people would come and spend their money. We should let those who own idle houses wash their faces.

I have one negative question. When will the Oireachtas address the legal implications of the state of our knowledge, practice and science in the field of assisted human reproduction? Yet again the newspapers are reporting on a judgment in which the Oireachtas has been chastised by a judge for its indolence in not addressing this fundamental human problem. There was an effort made to address the issue by a distinguished former Member of the House, Dr. Mary Henry, who placed a Bill on assisted human reproduction before it. Let us take on the subject and look after the welfare of citizens.

Senator James Carroll: It would be remiss of me as a County Louth man not to acknowledge the presence of Mr. Paddy Keenan on the GAA all stars team. It is a tremendous day for the GAA in County Louth.

An Cathaoirleach: We do not congratulate individuals on the Order of Business for making the all stars team.

Senator Jerry Buttimer: Does the Senator remember what happened in 1957?

Senator James Carroll: It is good news for County Louth.

I reiterate the point made by Senator Norris about the cystic fibrosis centre which is much needed. I hope the project will move quickly and without delay.

Yesterday the Dignity 4 Patients group which represents victims of sexual abuse in Our Lady of Lourdes Hospital held a press conference in Buswells Hotel following a meeting with the Minister for Health and Children. It extended an invite to the Minister to come to Drogheda to meet victims of abuse, to which she said she was not averse. I would like the Leader to relay the invitation from the Seanad to the Minister. If she shows compassion, it will send a message to the victims.

Senator Dominic Hannigan: I join Senator Carroll in his remarks on the victims of abuse at Our Lady of Lourdes Hospital in Drogheda. We must pay tribute to the hard work done for them by the support group which has done tremendous work in recent years. I ask the Minister to seriously consider the request made.

The Leader is aware from the briefing he attended in Buswells Hotel yesterday that many students have still not received their grants and are being denied access to college facilities such as libraries and laboratories because they cannot pay their registration fees in the absence of their grants. It might be the end of November before students in County Meath are informed if they will receive a grant. I ask the Leader to use his offices to make representations to the colleges and ask them to allow the students concerned to access facilities while they await the payment of their grants.

In UCD, because of the moratorium on staff recruitment, disabled students have not been provided with assistants who help them to read notes and access lecture halls. Disabled students are unable to go to college because the assistants have not been approved. Will the Leader make representations to UCD to have a system put in place to allow applications to be assessed as soon as possible?

Senator Niall Ó Brolcháin: I also support the remarks made on the cystic fibrosis centre and call for a debate on the matter.

I call for a debate on the issue of fuel poverty. There have been many reports in the media on rising energy prices, but many do not have the financial capability to deal with high heating costs, particularly if we have a difficult winter.

Approximately 25,000 houses have been covered by the warmer homes scheme, of which 16,240 were covered last year. We are seeking a similar number this year. For those in the scheme who find heating their homes difficult and have been in receipt of the fuel allowance, having their homes insulated for free in recent years has been a good news story. It is a story the Government needs to push. More than 1,000 people per week are applying for the home energy saving scheme.

While there is much doom and gloom concerning fuel poverty, the insulation of homes is a good news story. When people are negative about the carbon tax, it is important to consider its positive aspects. I would welcome a full debate on fuel poverty and call for the Minister for Communications, Energy and Natural Resources, Deputy Ryan, to attend the House to discuss it.

Senator Donie Cassidy: Senators Twomey, Ó Murchú, Keaveney and Coghlan offered their congratulations to the Chilean ambassador. On behalf of the House, I congratulate the President of Chile and his lady wife, who stood by the mine as the 33 miners returned from the dreadful conditions in which they had lived for 70 days. Returning those miners to their families was a marvellous achievement on the part of the engineering staff and everyone involved. It was uplifting to watch and was compulsive television viewing. It was a good event that lifted the people of Chile and most of the people watching across the world. I hope the inspiration given by the Chilean men and women who made it possible will be felt throughout the world. I send our congratulations and best wishes to the Chilean President and ambassador.

Senators O'Toole, Cannon and Buttimer discussed advertising jobs in the public sector, public sector reform and local authorities. County Westmeath has an excellent county manager in Mr. Danny McLoughlin, who is also the director of services for the electoral areas of Mullingar east, Mullingar west and Coole. Where there used to be four directors of services, there are now only two.

Senator Joe O'Toole: That is a bit ridiculous.

Senator Donie Cassidy: He is leading by example. I understand he is also secretary of the county managers of Ireland, so I must mention——

An Cathaoirleach: I do not want the names of any director.

Senator Donie Cassidy: I must put on the record the fact that Westmeath's county manager has been outstanding in that he has led by example.

Senator Joe O'Toole: Will the Leader raise the other issue with the Minister?

Senator Liam Twomey: He will not even get a letter back.

Senator Donie Cassidy: Senators Alex White, Boyle, Ó Murchú and Walsh referred to the Labour Party's consideration today of whether to join the consensus talks in response to the Taoiseach's letter of invitation. I wish everyone well with their important responsibilities, as the national interest comes before party or person. Almost everyone in both Houses is serving because of a commitment to the public good. Never was that commitment more needed than it is now, especially among the leadership of all parties. I look forward to the Labour Party playing its part. I am delighted that the Fine Gael leader is also joining the Taoiseach in the talks at this difficult time.

Senator Cannon mentioned the surgeon at Portiuncula Hospital who is awaiting a single administrative staff member. If 800 staff are employed by the HSE in the region, surely it would be common sense for that excellent hospital's request to be answered. I spent seven weeks as a patient there. It is top class and has been a wonderful training hospital. The dedication of the Medical Missionaries of Mary to the hospital has been incredible. I will support the Senator's call and will contact the Minister's office after the Order of Business to try to use my influence to pass Senator Cannon's request along the line.

Senator Harris asked for a debate on the response to the recession. We will continue our debate on banking next Thursday. Many Senators made requests of me during the week. On Tuesday, we will conclude Second Stage of Senator Quinn's Bill and then deliberate on the Tánaiste's new VEC proposals. I want the House to make a contribution to the proposed changes. On Wednesday morning, Senator Cummins's Bill on the additional member in NAMA will be before the House.

Senator Maurice Cummins: LAMA.

Senator Donie Cassidy: I beg the Senator's pardon. I give my commitment to schedule the Bill for Wednesday. In the afternoon, we will discuss the challenges and opportunities facing the Minister for Tourism, Culture and Sport in the shape of the new tourism reform package. I hope we will be able to make an input into it. All day Thursday we will receive an update on the banking situation. Following the commitment I gave to the House at the start of this term, we will also let the Minister know our views on the matter.

Senator Alex White: Is there any Government legislation?

Senator Donie Cassidy: There will be two Bills for consideration next week.

Senator Alex White: I said "Government legislation". Is there any Government legislation?

Senator Donie Cassidy: I look forward to the Senator's contribution. I hope to make one as well.

Senator Alex White: The answer is "No".

An Cathaoirleach: No interruptions. The Leader to reply to the Order of Business.

Senator Donie Cassidy: Senator Keaveney discussed where Ireland is going.

Senator Alex White: Four weeks and no Government legislation. This is disgraceful.

Senator Donie Cassidy: We know Senator Alex White's commitment to the Seanad.

An Cathaoirleach: Leader, please.

Senator Alex White: Stick to the question.

Senator Donie Cassidy: Senator Keaveney called for a debate on where Ireland is going——

Senator Jerry Buttimer: On a point of order, the Leader should withdraw his remark to Senator Alex White. His comment was unbecoming.

An Cathaoirleach: I asked for no interruptions. The Leader is replying to the Order of Business.

Senator Jerry Buttimer: The Leader is bigger than that and he should withdraw the remark. It does not behove him.

Senator Liam Twomey: He should explain it or justify it.

Senator Donie Cassidy: If we consider the question of conduct becoming and look at Senator Buttimer's good self, it is not an example he should be——

An Cathaoirleach: No, we will have no comments across the floor. The Leader should reply to the questions raised.

Senator Liam Twomey: That is not a justification for his remark.

Senator Jerry Buttimer: I am asking the Leader to withdraw his remark concerning Senator Alex White.

Senator Terry Leyden: Senator Alex White is not objecting at all.

Senator Jerry Buttimer: The Leader goes on about consensus, but his remarks are unfair and wrong. He should withdraw them.

Senator Donie Cassidy: Is Senator Buttimer considering joining the Labour Party, too?

Senator Jerry Buttimer: No. I am asking the Leader to withdraw his remark.

Senator Terry Leyden: Senator Buttimer is not the spokesman for Senator Alex White.

An Cathaoirleach: Members, please.

Senator Donie Cassidy: Senators Walsh and Leyden expressed an opinion on Senator Regan. I have noted their comments. Senators Norris, Carroll and Ó Brolcháin raised the matter of cystic fibrosis and welcomed the good news that the contract will be signed today. We all want to join in that welcome. All parties did their utmost and quite a few parliamentarians worked hard to see this day come about. I congratulate everyone involved. I look forward to the Government's commitment and to the opening of the facility in the near future.

In response to Senator Norris, I will make inquiries into the Bill tabled by the former Senator, Dr. Henry, and revert to him. Senator Carroll raised the matter of dignity for patients at Our Lady of Lourdes Hospital and referred to the hospital group's invitation of a meeting with the Minister. I will pass it on to the Minister this morning. Senator Hannigan discussed access to college library facilities for students awaiting their grants. I will pass his strong views on to the Minister.

Senator Ó Brolcháin raised the issue of the high cost of heating and the great success of the warmer homes scheme. As he stated, 25,000 houses have benefited. There is significant interest in the opportunity, given that there are 1,000 applications per month.

Senator Niall Ó Brolcháin: Per week.

Senator Donie Cassidy: This number constitutes approximately 50,000 applications per year. I welcome that announcement by the Senator and look forward to having a debate on this matter and monitoring its progress in the coming months.

Order of Business agreed to.

National Spatial Strategy Report: Statements

An Cathaoirleach: I welcome the Minister of State at the Department of the Environment, Heritage and Local Government, Deputy Michael Finneran, to the Seanad.

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran): I thank Members for the opportunity to outline the background to the rationale, content and recommendations of the national spatial strategy update and outlook report 2010. The national spatial strategy was published in November 2002 as a high-level 20-year national planning framework to guide the achievements of more balanced regional development to long-term planning and infrastructural investment. Implementation of the national spatial strategy takes place at three levels: nationally, by informing and influencing other national plans and strategies such as the National Development Plan 2007-2013; regionally, by setting the strategic planning context for regional planning guidelines which in turn integrate and co-ordinate the city and county development plans of the local authorities; and locally, through city and county development plans and local area plans and the actions of local authorities, Departments and agencies at local level.

In the early years of implementing the national spatial strategy, Ireland continued to develop rapidly in terms of economic growth, population change and physical development and the strategy helped to set Ireland on a new development path that is more strategically focused and plan-led than in the past. Building on the adoption of regional planning guidelines that covered the entire country for the first time in 2004 and the issuing of statutory ministerial guidance on the preparation of development plans, development management practices and sustainable rural housing, there were strong indications that this plan-led focus was beginning to have a real effect on planning policies and practices at a local level.

Since late 2007, however, and in tandem with a wider global economic downturn, Ireland has faced renewed and serious economic challenges and is now operating within tough budgetary conditions and fiscal constraints. The Government's strategy for economic recovery outlined in the policy on building Ireland's smart economy identifies the fundamental importance of returning to export-led growth. To achieve this, addressing Ireland's overall cost competitiveness relative to competitor countries is critical. At the same time, prioritised and strategic investments to pump-prime the potential of the regions is vital to positioning them as key contributors to Ireland's overall national growth when the current difficult economic cycle ends.

In these challenging economic times, therefore, spatial planning frameworks such as the national spatial strategy are even more relevant and important in maximising the long-term value of investment of increasingly scarce public funds. Regions are critical in creating a good place to live and to do business and spatial planning plays a key role in setting the framework for delivery of competitive and attractive places.

Taking account of the fact that implementation of the national spatial strategy is approaching its midway point and of the changed economic and other circumstances since its publication eight years ago, my Department has prepared the national spatial strategy update and outlook report 2010. The report has two main functions. First, it examines what has been achieved to date and what can be learned from implementation to date. Second, the report sets out a

revised implementation framework aimed at maximising the spatial planning and regional contribution to economic recovery and long-term national competitiveness and sustainability.

The national spatial strategy update and outlook report is, therefore, a critical appraisal of progress to date and an implementation roadmap for the near to medium-term future. It is important to recognise, however, that it is not a review of the policy rationale or structure of the strategy. In preparing the 2010 update report, my Department undertook extensive analysis of relevant national and regional demographic and economic data as well as data and reports from central and local government, regional authorities, State agencies and academia. Throughout the drafting, we consulted key stakeholders and policy informers, including key Departments, namely, the Taoiseach, Finance, Transport, Community, Equality and Gaeltacht Affairs, and Education and Skills; regional and local authorities; the enterprise agencies, including Forfás, IDA Ireland, Enterprise Ireland and Shannon Development; the National Competitiveness Council; the Economic and Social Research Institute; the Western Development Commission; the Northern Ireland Department of Regional Development and other relevant cross-border bodies; and eminent academic experts.

In addition, as part of the consultation process, senior officials from my Department's planning division addressed the Oireachtas joint committee in June to apprise the members of the purpose, analysis and actions arising from this work, and some useful points made at this session, in particular on the importance of harnessing the potential of rural areas, were reflected in the final document. The Department's planning division also consulted extensively with other relevant areas within our Department, including water services and local government policy sections which have a significant policy impact at regional and local level. In light of these extensive internal and external consultations, I am satisfied the analysis and recommendations in the report are robust and realistic.

The report sets out an honest appraisal of what has worked well to date in implementing the national spatial strategy and what challenges remain. In terms of achievements it examines the three levels at which the national spatial strategy operates, as already outlined.

It states that, at national level, the national spatial strategy has facilitated significant strategic public infrastructure by helping to direct investment in areas such as transport, water services and waste infrastructure. These help to create the conditions for long-term sustainable growth. At regional level, regional planning guidelines introduced in 2004 have enabled better co-ordination and integration of plans at local authority level as well as identification of regional investment priorities. At local level, many of the authorities and agencies at gateway and hub levels have worked to encourage a more strategic and co-ordinated approach to their development, aided by public and private investment, and successive Ministers have pursued appropriate alignment of plans at national, regional and local levels by commenting on and on occasion requiring such alignment.

I would like to outline briefly some of the more significant spatial planning trends in Ireland since 2002, which have informed the recommendations in the report. Significant employment growth has taken place in and around the gateways, hub towns and other strategic locations identified in the national spatial strategy. Population growth in some gateways and hub towns has underperformed, while smaller towns, villages and rural areas within a 50 to 80 km commuting range of major cities and towns have experienced significant population growth. Excessive and inappropriately located zoning and development have worked against implementation of national spatial strategy principles and priorities. Development-driven planning and urban-generated commuter settlement patterns are creating demand for uneconomic and inefficient infrastructure and service provision in suburban and extra-urban green-field locations, while infrastructure and services in city and town centre locations becomes under-utilised. Develop-

[Deputy Michael Finneran.]

ment has become more dispersed and fragmented geographically, with greater distances between where people live and work. As a consequence, oil dependency has increased and greenhouse gas emissions from the transport sector are increasing more rapidly than from other sectors of the economy.

Notwithstanding our demographic growth and settlement pattern trends in the recent past, the percentage of people travelling and choosing sustainable modes of transport continues to fall. Urban sprawl, with the resulting car dependency and longer commuting times, is reducing the quality of family life and broader community interaction and social integration. It also contributes to increased obesity levels and other health issues.

Land-use trends are in some cases undermining the integrity of Ireland's key habitats and ecosystem networks and placing pressure on the quality of our water resources.

Notwithstanding the progress that has been achieved in some areas and at some levels, a number of implementation challenges remain. The report acknowledges that Ireland must have more sustainable development patterns. It is well documented that the tendency to date towards rapid growth in suburban and extra-urban commuter areas around the principal cities and towns, and more recently a shift in the proportion of the current levels of house building towards housing in the rural hinterlands around many cities and towns, must be addressed.

Our city and town centre areas must be invigorated and should be a major focus for significant future housing and employment provision. As drivers of economic growth, these areas need to be attractive to investment and play a stronger role in regional development and central policy objectives, such as the Government's smarter travel objectives. We must maximise usage of existing infrastructure and revitalise underdeveloped urban areas in need of regeneration. Also, more needs to be done to address Ireland's high level of car dependence and recent trends of increases in greenhouse gas emissions from the transport sector. Better national spatial strategy implementation can assist in this through both investment in public transport and sustainable travel alternatives such as walking and cycling facilities and greater emphasis on the delivery of more sustainable settlement patterns through regional and local planning policies.

The report identifies three main areas which must be addressed over the coming years so the national spatial strategy can better support more balanced regional development and also assist in national recovery and international economic competitiveness. First, the spatial policy dimension to all public and private investment co-ordination must be strengthened. The national spatial strategy and regional planning guidelines provide a coherent rationale for capital investment but we must improve existing arrangements for investment co-ordination and prioritisation between the capital investment activities of Departments and agencies and the planning and development activities of regional and local authorities.

Second, we need more effective leadership and strong governance models to drive the overall economic and physical development of the national spatial strategy gateways in particular and their wider regions. Delivering more effective governance under the forthcoming White Paper on local government, with a particular focus on gateways and regional authorities, is required.

Finally, we must encourage and promote the emergence of much more sustainable patterns of development by tackling the drivers for urban sprawl, maximising the opportunities to reduce CO₂ emissions while adapting to the emerging effects of climate change and protecting the qualities of our rivers, habitats and heritage. Key to this is effective implementation of the planning legislation reforms contained in the Planning and Development (Amendment) Act 2010 which will bring about a tighter and more evidence-based fit between where future development occurs and how the necessary public infrastructure can be provided in such developing areas. Also, the soon to be completed review of the regional planning guidelines

endorses these objectives and will set the template for forward planning in county and city development plans.

The Government has recently re-affirmed the national spatial strategy as its policy for spatial planning and balanced regional development. It has also endorsed the recommendations in the report on how better to implement the national spatial strategy and to maximise the contribution it can make to facilitating job creation and improving national competitiveness. The recent review of capital investment, which was approved by Government in July, has made provision for a gateway innovation fund of €200 million, to commence in 2012, which will provide tangible financial support for development projects within the gateways. The House will be aware that such a fund was originally provided for under the National Development Plan 2007-13, and I welcome the Government's recognition of the need to continue to invest in our major urban areas and its commitment to boosting their future capacity and performance as drivers of economic activity.

One of the key lessons we have learned is that we must put in place robust and action-orientated monitoring systems to drive more co-ordinated implementation and review progress and challenges arising on a regular basis. To this end, my Department will be seeking nominations of senior officials from key Departments and agencies to participate on a refocused national spatial strategy implementation group, which will be tasked with implementing the recommendations in the report, particularly in relation to co-ordinated and prioritised capital investment under the sectoral programmes managed by those Departments.

In these tough economic times, we are not in the comfortable position where we can fund every piece of infrastructure and every service that we would like to. However, when we do have to take these hard decisions, it is important that we are cognisant of the wider implications of our policy decisions and that we provide, as far as we can, a coherent and joined-up strategy to optimise the return on the State's investment across different sectors. It is through the national spatial strategy that these decisions can be shaped and made as coherent as possible.

I again thank Senators for the opportunity to address the House on the national spatial strategy update and outlook report.

Senator Paschal Donohoe: I welcome the Minister of State and acknowledge that this is a very important debate on a number of different levels.

Senator Paschal Donohoe: I welcome the Minister of State. This is an important debate on a number of levels. There is a need for the review and analysis of the national spatial strategy on the basis of my experience travelling outside Dublin through small towns and villages which are the backbone of our society. I notice repeatedly how quiet these towns and villages are at night, as well as the slow and steady drift of people leaving them to work elsewhere in the country or abroad. As I was getting ready for this debate, I was reminded of a book published on this topic in the 1960s by the late John Healy who was a journalist with *The Irish Times*. This famous book was entitled, *No One Shouted Stop (The Death of an Irish Town)*, and in it he lamented the decline of community life and the population of many rural towns and villages.

It is a matter of enormous regret that we must have another discussion about how to sustain economic and community life outside the greater Dublin region. The Minister of State mentioned a number of reasons for this, the first of which is that the economic growth the country will enjoy again in the future will not be a zero sum game. Just because one region enjoys growth does not mean it will be at the expense of another part of the country. The experience of many other countries, for example, Finland, is that strong growth in the regions outside the

[Senator Paschal Donohoe.]

capital city supplements growth in the region around the capital and does not happen at its expense. If we get to a point where there is a fair and an efficient allocation of resources throughout the State, which the national spatial strategy seeks to attain, this will maximise the welfare of the State and people, regardless of where they live, will have access to the opportunities we all want them to have.

The second reason it is becoming clearer the national spatial strategy is of such vital importance is sustainability. We are all aware of the paramount importance of sustainability which will only be achieved if there is integrated planning. Underpinning this is an acknowledgement that we cannot load more of the population into one region at the expense of others.

The third reason which is particularly relevant in our current circumstances is much of our planning and development policy in the past was driven by the fact the population was increasing so quickly. In recent years the population increased from 3.9 million to 4.4 million, the highest growth rate in the European Union. The increase in population generated economic growth and development throughout the State. That will not continue and the influx into the country is being replaced by a steady exodus. Last year, according to the Central Statistics Office, for the first time in recent history, the birth rate was ahead of the population growth rate generated by people moving into the country. This will place more pressure on towns and villages outside the capital city because the population growth they enjoyed spurred economic development, construction, retail development and so on, but that is no more.

For all these reasons, the review of the national spatial strategy and this debate are welcome. I am struck that many strategies are launched and not reviewed until new strategies are introduced to replace them. It is welcome that the review document provides a reasonably comprehensive assessment of the implementation of the previous strategy and where things stand. This is important because, as the Minister of State acknowledged, the two factors that drive development are public and private investment. We know to our cost that both streams will be more difficult to come by in the coming years.

While I welcome the review, it omits a number of issues which lead me and others to a more negative assessment of the current position than the review indicates. The ESRI described the national spatial strategy as “being largely aspirational, with few concrete measures. What is really missing is any adequate thought about what we are really trying to achieve and why”. This theme is evident in the review in that it does not acknowledge flaws in the strategy regarding how Dublin has developed and how towns and cities outside it have not developed at the rate needed. There are three reasons for this. The decentralisation programme presented a great opportunity to ensure public service agencies were allocated more tightly to gateway hub towns and county capital towns. The conclusion of bodies which have reviewed the national spatial strategy and how it fits in with the decentralisation programme is that did not happen. It was a significant missed opportunity because one of the flaws in the strategy was it did not integrate economic activity and development tightly enough.

The second reason, as acknowledged, was the decision a number of years ago to suspend the gateway innovation fund amounting to €300 million. The Minister of State has stated the fund will be restored, with an allocation of €200 million. That is lower than the original commitment, but this is understandable in these times and the fund will commence in 2012. Nonetheless, the target was to have the fund up and running and implemented as part of the National Development Plan 2007-2013. I welcome its restoration, but it will only be available at the end of the period of implementation of the NDP. If it had been launched when money was available and

the Government had more flexibility to allocate resources, it could have made a significant difference to the implementation of the strategy.

The third reason is the legacy of overdevelopment. Reference is made time and again to the awful phrase, “ghost estates”, and the awful impact they will have on communities. It is a matter of huge regret, as a former member of a local authority, that we arrived at a position where this happened. The effect they will have on our ability to deliver a sustainable strategy will be fraught and difficult.

I have a number of suggestions to make on how the strategy could be amended and developed. When we review a strategy, it is not sufficient to only review its implementation, it is also appropriate to review whether the strategy is correct and whether additional choices can be made. I would like to address two issues. The first is to figure out the exact definition of a gateway town and region. The plan defines spatial strategy in terms of the delivery of physical infrastructure such as transport, utilities and so on. We need to find a way to integrate our industrial policy far more firmly into our spatial strategy and acknowledge that unless we have the economic activity in our gateway towns, cities and regions, it will not allow our physical infrastructure to be developed and it will not allow the development to take place that will ensure a spatial strategy will be sustainable.

The second area is in respect of local government and governance strategies and systems outside of Dublin. We need to find a way of strengthening our regional authorities to provide a counterpoint to an over-centralised decision making process which leads to the allocation of resources in a way that does not fit in with the national spatial strategy. Those two changes would go a long way towards delivering the sustainable development of our country, which is what we all want.

Senator John Ellis: I welcome the opportunity of saying a few words on the national spatial strategy which has been in place for a number of years. The National Development Plan 2007 to 2013 proposed a number of major developments around the country. Many of these developments have been put on hold due to financial or other reasons. People often forget the changes that have taken place in Ireland in the past three or four years. Senator Donohoe mentioned ghost estates, but these ghost estates were created because people were supplying houses to meet the demand at the time.

Owing to the economic downturn, people were no longer in a position to buy these houses and many people had joined a social welfare queue, which is part of our problem. We have to look at the consequences of this for the national spatial strategy. People who are dependent on social welfare will not be in a position to acquire homes. It is not in their interest to acquire them because of the way the social welfare system treats those who are in rented accommodation, or do not own their own homes.

Some parts of the country have been left behind in the spatial strategy. There are regions that do not have broadband and which do not have many of the other services necessary to develop our communities. People will then end up living in areas they did not choose and the result is that communities will suffer and might become unsustainable. That worries us all. We see it happening where communities in parts of rural Ireland are starting to lose post offices, teachers in schools and various other services that have been taken for granted for years. One example of that is the disappearance of rural pubs in the past five or six years. It is another service that is taken out of the community. Rather than having a drink locally, people now have to travel if they want to go to the pub. We often talk about sustainability, but we cannot go to the pub without a taxi to take us home. That has an environmental cost.

[Senator John Ellis.]

While we have a national spatial strategy, it is important to sustain our local communities, especially in rural Ireland. Certain groups are trying to force people to live in urban areas. Many of these urban areas do not have the necessary services available to them. For example, there is a shortage of school places in Dublin city. Some of the hubs and gateways that were originally proposed have not developed to the extent that was proposed. Some designated towns were supposed to double in size between the introduction of the spatial strategy and 2020, yet their populations have decreased. This is having a major effect on the overall strategy.

Many parts of this country have good infrastructure, but they are not developing, mainly because the incentives may not be there for them. We are lucky in my part of the country because we have a very good train service, which was put in place in the past few years and which has resulted in more people using the train on long journeys to Dublin. However, some roads have not been developed fully. The N4 after Mullingar has not been improved to the necessary quality, not just for the people who use it, but for environmental purposes as well because there would be less fuel consumption if the standard of the road was improved. People do not seem to look at these things, but at the end line. There is a need for a total review of the upgrading of our roads and rail services.

Regional airports will become a major bone of contention in the future because funding from the Government or the European Union may not be available. If we are going to ask people to use public transport and get from A to B as quickly as possible, they will want to use these regional airports. I heard comments that the future of Knock Airport was questionable. The numbers of people provided a service by that airport far outweigh anything that people ever dreamed of initially. It now provides a service for people in the west who had to drive to Dublin, Shannon, Cork or Belfast to get to an airport of international standard. This shows that regional development can be of importance.

The strategy also mentions regional planning guidelines. Some of the planning guidelines that have been brought forward in recent years are anti-rural and will affect our smaller communities. We all know of towns and villages that provide good sewerage, water services and transport services. However, in some cases people are forced to move from those towns and villages because they cannot get planning permission. They can be forced to move because they do not come within certain criteria and are not entitled to live in these areas. This is very worrying. In some parts of the country it is impossible to give a member of one's family a site to allow that person build a house. That is wrong and should be dealt with to ensure people who want to live in communities are given the opportunity to do so.

Decentralisation has been mentioned. Some may say decentralisation has been a disaster. If anybody wants to go to Carrick-on-Shannon and ask the people who were decentralised to offices of the Department of Social Protection, they will say it was the greatest thing that happened them in their lifetime.

Many of them had lived in Dublin and worked in the Civil Service for 20 or 30 years. Those who moved say they have a much better quality of life, with better services, a less stressful life and have every amenity available to them within five or ten minutes. It is the same for any of those who have moved under decentralisation. It may pose problems particularly for senior civil servants, but people should be given the opportunity to move and the programme should be brought back into full force again. While some claim it has been a failure, the way to find out whether something has been a failure is to talk to the people who have moved who will answer the question very positively.

We need to consider other forms of sustainable development, including energy sustainability which is now coming into focus. We now find that those who talk about sustainability are in many cases those who lodge the objections to green projects. They will be shouting from the two sides of their mouths, one day talking about production of green energy and the next day NIMBY, not in my back yard, comes into play very quickly. The ESB will also need to be tackled to allow small generators access to the national grid rather than having to wait between two and five years for connection. This attitude is wrong and will not help the sustainability of any of our communities. It would also bring good jobs, although not large numbers of them, and help to sustain communities.

As one who lives close to the Border, I recognise there is not great sustainability of Border communities. Infrastructure, including hospitals and third level facilities, are being put in place but are not open to the wider catchment area and are basically cut off by the Border, a matter that needs to be addressed.

When considering the national spatial strategy we should ask how we maintain our communities. How can we ensure the country develops throughout and not just along the eastern seaboard and around our major cities? The only way is to have a bias in favour of developing smaller towns and villages to ensure they will be sustainable in the long term. If the national spatial strategy is to be successful, it must have regard to the needs of the communities that are to be served rather than looking at the ideal situation in theory which does not work in practice.

Senator Dominic Hannigan: I welcome the Minister of State and I am glad we are having this timely debate. While supporting the broad objectives in this updated outlook, the Government's record in implementing the 2002 strategy is not great. I will give credit where it is due in that we have come on in leaps and bounds with our road network and particularly our motorway programme. It has been more expensive than we had hoped when the projects started, but the main roads are all now in place, which has helped to make the island a smaller place, not just for tourists but also for business people. However, growth and development in the regions have been disappointing and are unlikely to happen under the Government, which makes me question the targets being set.

An example is rural broadband, which is a major problem not just in my county, Meath, but throughout the country. Many rural areas are still without access and every week. I hear from people who are unable to access services in the Internet because they are still stuck with dial-up services or extremely expensive satellite services. It is impacting on the ability to work from home and therefore on the setting up of rural businesses. It is also affecting their ability to continue with lifelong learning or even adult education. This is maths week and Engineers Ireland in support of people studying applied maths and ordinary maths for their leaving certificate has put tuition material on its website www.engineersireland.ie. However, it is of little use to those living in a rural area without broadband. Such an example highlights the lack of broadband services in rural areas. I urge the Minister of State to make representations to the Minister for Communications, Energy and Natural Resources, Deputy Ryan, to ensure the national roll-out of rural broadband takes place as soon as possible. We heard that it was meant to be complete by the end of this year but it is still some way off. The Government needs to take the issue seriously as other countries have done. It is unacceptable that so many rural areas are without broadband access.

The level of job creation through foreign direct investment has been disappointing. From 2005 to 2009 just one company set up in County Meath, even though the Celtic tiger was in

[Senator Dominic Hannigan.]

full swing during that period. It is hardly a success story and more work is needed in that area. My party is working hard to promote jobs nationally and locally and I will be holding a series of seminars in County Meath in coming weeks to try to encourage growth in areas such as agri-tourism, heritage and green energy, which my county is very capable of supporting. The intention is to get some clear and concise ideas from these seminars on how to create more jobs in the area and increase the number of businesses in the area.

To encourage urban and rural development it is important to have a stock of zoned land in order that incoming businesses have somewhere to locate. That land should be developed first rather than rezoning additional land. It would be foolish to rezone additional land when so much land is zoned for industrial use particularly in the commuter counties. Pressure to rezone cheaper agricultural land still arises and many of us get regular representations from land-owners and developers who want additional agricultural land rezoned. We need to stand up to that pressure and I appreciate the efforts the Department of the Environment, Heritage and Local Government is making in this regard. The Planning and Development (Amendment) Act 2010 gives the Minister greater control of planning and rezoning strategies for the counties. However, many local authority representatives were distraught at the lack of communication and consultation from the Department on the Act. They believe the Minister's attitude has been very patronising and has undervalued these councillors. As a result they have a very negative impression of how the Act will be implemented and the Minister needs to do considerable work on liaising with local authority representatives. As someone who served as a councillor for many years I know that some councillors have made suspect decisions. They include members of all parties, including the Minister's.

Senator Mark Dearey: Not the Green Party.

Senator Dominic Hannigan: If the Senator looked at some previous Green Party councillors' records, I believe he would retract that statement. I can give clear examples of that having happened. I do not believe any party can claim not to have had some members who have rezoned irresponsibly because I have seen them and know that to be the case. In understanding how that might have happened, we must recognise that many new councillors are elected because of their expertise in areas such as health or education, and may have had no experience in planning. When they get into office they need to learn very quickly because they are thrown into preparing local area plans with very little help or advice. As the only advice they are likely to get is from a developer or his agent, they are seeing only one side of the coin. I would like to see the Department take a proactive role in this area and examine ways of increasing the planning knowledge, especially of new councillors when they first get elected. Many new councillors were elected only last year from all parties. I would like to see the Department working with these councillors to improve their knowledge of the planning system to ensure we do not repeat the same mistakes. I do not doubt people's motivation but it is clear that bad decisions were made along the way for whatever reason.

On this specific plan, the decentralisation strategy has been mentioned. That was intended to be the mainstay of the national spatial strategy and we can see it has failed on many levels. I take Senator Ellis's point about specific instances of success. Carrick-on-Shannon was one, and I am aware there are also instances of failure in respect of the plan. Any independent assessment of this position would have to conclude that this has been a failure. This raises the question of whether decentralisation will ever work. I believe it undermines the document produced early last week.

There was a promise in the Government's 2002 general election manifesto that it would continue with the decentralisation of Government offices and agencies. It has not happened successfully and therefore the Government will have to forgive me if I take its current proposal in this area with a grain of salt.

The national spatial strategy was intended to build the strength of all regions and it is clear, certainly from my own county's experience, that this has not been the case to date. We must be more effective and funding is likely to become a problem. If the Government is serious about this strategy, I call for the gateway development fund to be reinstated. It is important that is in place if we are to ensure the proposals contained in this paper are put in place.

We often hear promises about what the strategy will mean but we need to see action and delivery on those promises. I welcome the document and the opportunity to speak on this issue. In essence, we are supportive of it, but I have some doubts about whether we will see the implementation of the proposals contained in it.

Senator Mark Dearey: The Minister is welcome. In 2002 I recall large towns throughout Ireland holding their breath wondering if theirs would be chosen as a gateway, the general welcome it received in my own town when it was chosen and the dismay in towns elsewhere that theirs was not. There was the compensation of being chosen as a hub and if a town was not so chosen, it could be something else.

At the time I was critical of the fact that the people who compiled the national spatial strategy did not keep their nerve and identify a series of large gateways that would act as a counterbalance to Dublin's overwhelming gravity in terms of how it brings in people, economic activity and wealth and allows very little of it back out. It is a very large city relative to the size of the country, and the national spatial strategy was intended to counterbalance this. It has not succeeded. I am being critical and clear-eyed but I believe there is much that can be taken from it that will help it succeed into the future.

I want to pick up on Senator Hannigan's point that decentralisation was meant as the mainstay of the national spatial strategy. That is a misunderstanding of both policies. It was widely recognised at the time, even by the champions of decentralisation, that it was running counter to the national spatial strategy's end game and that one policy was constantly at loggerheads with the other. We have now dealt with that position in a clear way. I commend the Department and the Government on doing that in regard to the decentralisation issue but to suggest that they were in any way complementary or that one was meant to underpin the other is a gross distortion of what happened. Decentralisation has not helped develop the kind of critical populations we need to be able to invest in a strategic way in large centres, for instance, to generate the kind of industrial policy Senator Donohoe rightly identified as being a key outcome from this strategy if it is to be deemed a success.

That is not to say — I am addressing Senator Ellis — that the people in Carrick-on-Shannon have not benefited from decentralisation. They have and it has been a huge success. I know it well. I have seen the town transformed by it and decentralisation has worked for Carrick-on-Shannon, but because it was not overlaid on the key objectives of the national spatial strategy, the two were at loggerheads until recent announcements on decentralisation.

The outlook takes account of the new circumstances in which we find ourselves. The O₂ document was very much a child of its time. It was based on the prospect of ongoing economic growth, the idea that the boom could be based on land zoning and development and that this of itself would create the population centres we desired. We have seen that that kind of strategy has failed. An economy based on development and construction could not last. It came to a

[Senator Mark Dearey.]

sudden and very costly halt for all of us. We have now turned our attention, rightly, to a different kind of economy, what we are calling a smart economy, that is not based on construction. It is hoped construction will have its role at approximately 10% of all economic activity but not the 25% it reached in the past.

For this new economy to work we need critical population size in the north west, the north east, Dublin, the west, the south west and the south. That would be it. We cannot do much more with our population other than to try to focus investment in a small number of centres where we can build the critical mass of skills and investment in terms of energy supply. The road network is in place now and it is a huge help. It will be vital to overlay that with better public transport, both inter-urban and intra-urban, but there is only so much we can do. A failing of the original document was that we tried to do too much by keeping every large and medium-sized town happy.

Proof of the pudding in that regard is the fact that 48% of all urban growth since 2002 has taken place in towns with a population of less than 10,000 even though towns of that size capture only 24% of the urban population. Forces other than the national spatial strategy have been at work that have led to urban populations growing other than where we planned for them to grow. This has occurred mainly because the large cities of Dublin, Cork, Galway and Waterford have attracted populations since 2002. They have not bedded into the fabric of the towns but instead are located as outliers in towns that are sometimes within striking distance but sometimes can be very long commutes from those towns and cities. As a result, the average car in the Republic does twice the mileage of the average car in Britain and throughout Europe. It is a striking statistic. I do not have the exact figures, but I know it to be the case that the amount of commuting created by the planning patterns we have allowed to develop is far in excess of British or European averages. That is not good news and it is not sustainable.

I said last week that the word “sustainable” was often used as a buzz word but few people have a grip on what it means. It is a plastic word in many ways and can mean what we want it to mean. I have heard it used in that sense many times. There is a touch of *Alice in Wonderland* about it. What we do understand, however, is the meaning of the word “unsustainable” because we have experienced it.

The country finds itself in the most critical time economically and in terms of social provision and so on than we have ever faced in the past. In budgetary terms we are faced with a massive challenge. Much of that is because of a belief — I am not saying it was done maliciously — that the growth could continue, that assets would be worth more next year than they were this year and that, therefore, the basis for lending into the economy was sound. As we have seen, it was not and we will be paying for the excessive lending for a long time to come.

This plan should be combined with the new Planning and Development (Amendment) Act, which I understand came into effect last week. It requires local authorities not to have reference to superior planning documents but to adhere to them, and the Minister of State, Deputy Cuffe, has indicated that local authorities that do not do so will face funding cuts. That is the kind of language local authorities understand, especially in these straitened times.

Senator Hannigan is correct that there is a degree of dissatisfaction among councillors, as I am well aware, given that I was one until very recently. For too long local authorities have been able to get away with references to superior planning documents while not taking a blind bit of notice of them when it came to voting on the night. We can see what has happened. Therefore, a more stringent approach is required, including better legal adherence in local area plans to county development plans, in county development plans to regional planning guide-

lines and in regional planning guidelines to the national spatial strategy. We have now provided for this in the new planning Act.

The gateway innovation fund, originally of €350 million, was meant to provide an investment stimulus for gateway towns. On the capital spending review, it was recently announced that this fund might be reinitiated in 2012 to the tune of €200 million. I know the original plans cannot be fully funded and that the applications made were, in many cases, very elaborate and ambitious. However, many also involved the building of eco-villages and large sustainable housing communities. Many of these obviously have to go, despite the aspirations being noble and exciting; I was excited by some of what was submitted by applicants at the time. However, we need to be careful how the €200 million will be allocated and ensure it will be allocated in a precise way to the gateway towns in a way that will underpin sustainable economic development, jobs in sectors that we know will last the pace and help to deliver a smart economy to keep our graduates here for good and not cause the brain drain that is threatening us. The fund has a very important role to play in that regard. If we can have a surgical strike within the gateway towns with projects that will keep people in towns and cities to allow them to grow and have critical mass that, in turn, will generate new services, it will have been money extremely well spent. It begins in 2012, before which a great deal of thought needs to be put into it.

I welcome the observation made within the plan that the regional development strategy for Northern Ireland and the national spatial strategy ought to lock into each other to find out where there are commonalities and opportunities for common service delivery. While that may sound like gobbledygook, what I mean is that if a hospital is needed in the Letterkenny-Derry or Dundalk-Newry corridor, the two areas explicitly identified in the document, it should be provided on the basis created by the two sets of planning guidelines to come up with a logical conclusion. I do not care on which side of the Border the hospital would be located as long as it served the region. In my case, there is a proposal to build a hospital which has really been designed to serve areas on the rim of Dublin, not the eastern border region, the natural alignment for the people living in the area. I welcome the fact the two plans will begin to spot opportunities for strategic investment, particularly in the areas of health care, education and transport.

I thank the Minister of State for his attention.

Senator Jerry Buttimer: I welcome the Minister of State and thank him for attending. This is an important debate in that the national spatial strategy was published with great fanfare. Undoubtedly, its implementation presents a huge challenge, given that we now exist in a different world than when it was launched eight years ago. What have we achieved since? We can see tangible results in the case of the Cork-Dublin motorway, while Senators have referred to other developments. This is to be welcomed, although one could argue motorists are paying for it through the payment of tolls. There is a proposal which I hope will not be implemented that further tolls be introduced on the Cork-Dublin motorway and the M50.

The commitment to the regions is very important. To be parochial, County Cork must be the major driving force in the promotion, development and expansion of commercial life, as Cork Chamber of Commerce put it, but also in the creation of sustainable communities in the south. There are nearly 1,000 businesses and 82,000 employees in the Cork Chamber of Commerce area, an indication of the potential of Cork in providing a great business and investment opportunity. However, it is not all about money or funding. There must be a clear and meaning-

[Senator Jerry Buttimer.]

ful commitment to the devolution of power to local and regional authorities. This will require consensus — the buzz word in Irish politics currently — but it will also require political will.

In a fine speech Senator Dearey referred to the axis in his area between north and south. As a Corkman, I have a major worry that we are taking about an axis between the north and east or west to the detriment of the south, by which I mean Cork. I very much welcome the realignment with our fellow citizens in the North. However, this cannot be done at the expense of the southern region. If we are to encourage investment and entrepreneurship in the creation of jobs, it is critical that the Cork and Munster region is vibrant. This will require support for the airport and sustainable transport links and mean setting and meeting targets.

In his excellent remarks Senator Donohoe referred to broadband, as did Senator Hannigan. It is not good enough in 2010 that one cannot access broadband not just in rural Ireland but also in parts of Cork city. How are we to be taken seriously in developing business and creating jobs in the region if people cannot access broadband?

I appreciate the difficulties we all face politically, but we need a stimulus to drive the economy, create jobs and give people hope and optimism. However this can be found, it must be found. I do not necessarily subscribe to President Obama's philosophy, that, as someone said yesterday, one could find billions of dollars in the Grand Canyon as a consequence of his two years in power. On page 28 of the strategy it is acknowledged that Cork City Council and Cork County Council adopted the Cork area strategic plan, CASP, in 2001. I was a member of the relevant group for what was a land use and transportation study and which outlined a very good strategy for metropolitan Cork. At the risk of annoying my county council brethren, it makes a strong case for the expansion of the Cork city boundary.

Although I accept I am being parochial, if we are to consider the development of the Cork region, the use of the gateway innovation fund, to which Senator Dearey referred, will be required. There is a project in Cork encompassing the eastern gateway bridge to the docklands which will be one of the principal drivers in the regeneration of Cork city and was included in the 2007 development plan and national spatial strategy. It involves the use of 160 hectares of land with the potential to bring 22,000 people into the city, create residential units, including social and affordable housing, and create 27,000 new jobs. While I admit the project was proposed before the collapse, we must have an aspiration and hang our hats on hope.

One of the biggest mistakes made by Government prior to the collapse of the economy was not to prioritise the regeneration of the Cork docklands. That is regrettable and the blame for it must be apportioned across the board. Private investors were willing and ready, but the Cork docklands report was not published. We had procrastination from Government and now the people of the Cork city are moving out to suburbia. The result, and the Green Party has a role to play in Government in this regard, is that there is an increase in traffic congestion and people live in high density housing with few amenities or services provided by local authorities. What is provided comes from voluntary and sporting organisations. Parents, workers and their families are stuck in their cars longer and the quality of their lives deteriorates. We end up with traffic gridlock as people converge on the city from Grange, Donnybrook, Frankfield, Douglas, Carrigaline and Bishopstown. I accept Senator Dearey's bona fides, but if the Green Party is serious about creating sustainable communities, we must have sustainable public transport and be serious about taking cars off the road. However, Bus Éireann is cutting back on services and reducing the number of routes and buses.

The N28, the Cork-Ringaskiddy road scheme, is more important now than ever because the Port of Cork proposes to move to Ringaskiddy. The local residents at Ringaskiddy rejected

the proposal at the oral hearing because of the unsuitability of the N28 road infrastructure. If we are serious about connectivity and the ability to attract international businesses such as pharmaceutical industries, we must upgrade the N28. The Cork area transport study proposes a modern bus rapid transit system, suggests reconfiguration and expansion of our bus services and puts in place new traffic management structures. We must consider giving more autonomy to local regions in the area of public transport, but perhaps we can come back to this later.

The Minister of State and Senators Dearey and Donohoe referred to the role of the planning authority. We need to examine the role and functions of the planning authority and its relationship with those across the spectrum of special interests. A White Paper is due on local government, but we need to be ambitious and move beyond the 20th century view of local government. Let us be controversial, but at the same time let us be sensible. We can change local government and give it more power. We can make it exciting and meaningful and give councillors a greater role. We can create better relationships between managers and developers and change the whole playing field. The provision of a directly elected mayor for the city of Dublin is not reform of local government. Reform is more than this.

I hope we use the national spatial strategy to see Cork as the driving force for the regeneration of the south. It is the engine that can propel us forward and has potential. However, that requires commitment from Government. I hope the gateway innovation fund can be used to develop the eastern gateway bridge.

Senator James Carroll: I welcome the Minister, Deputy Killeen, and thank the Minister of State, Deputy Finneran, for his contribution. I found it interesting to listen to Senator Buttimer. It is rare to hear him speak at a broadly monotone level as usually the volume at which he speaks rises and falls. However, he made some pertinent points.

Senator Jerry Buttimer: Do I sense consensus?

Senator James Carroll: Exactly. Consensus is essential.

Acting Chairman (Geraldine Feeney): Senator Carroll should not get Senator Buttimer going.

Senator James Carroll: The implementation of the national spatial strategy is extremely important for the country and the regions and for County Louth from where both I and Senator Dearey come. Great work has been carried out on improvements in infrastructure, transport and on creating sustainable development and economic growth in Louth, but often we wish some elements were done in a different way. It is time we are seen in the international arena as supporting innovation, knowledge and entrepreneurship across the regions and that Dublin is not seen as a kind of Hoover that sucks in much of the economic activity without giving out much of it.

I am passionate about and intend to work on the quality of life issue. When I was working in Dublin, I found that having to sit on the floor of the train daily as I travelled up and down to work did not offer much quality of life. This is not the type of legacy we want to leave to others working in Dublin or other regions. Drogheda, my home town, lies along the Dublin-Belfast economic corridor and has been identified as a primary development centre. As mentioned, such titles, whether gateways, hubs or primary development centres, were applied to towns to make them feel loved. However, if the town was not given gateway status, the title actually took away from the effectiveness of the national spatial strategy.

[Senator James Carroll.]

Senator Dearey referred to the Northern Ireland development plan, but I would like to focus on the greater Dublin area regional planning guideline. This plan covered the region as far as the border with Louth but then stopped. The national spatial strategy gave Dundalk gateway status and then we had the Northern Ireland development plan. These three plans affect the north east, but while they are back to back with each other, they are not integrated and all take different directions. This takes away from the development of the north eastern region. The Louth economic forum, with which I had some interaction as a councillor and more interaction since I joined the Seanad, is developing a nine-point plan for the creation of sustainable jobs in County Louth. The forum has focused on the point that Drogheda has a greater population catchment range within 60 km than any other part of the country, even greater than that of Dublin. This should be highlighted.

I am concerned that otherwise Drogheda will just become a dormer town for the Dublin metropolitan area and miss out on the sense of self-sufficiency it should have due to its high population base and other important advantages. I fear that Drogheda, as the largest provincial town in the country, will be squashed in between two or three plans and will not be integrated into any of those plans. Both I and Drogheda councillor Frank Maher feel that Drogheda should be incorporated into the greater Dublin area regional planning guideline and I urge the Minister of State to take that message back to the Minister, Deputy Gormley, and the Minister of State, Deputy Finneran. If we continue along the path of keeping the plan to Dublin because it has Dublin in its name, we will miss out. As Senator Dearey said, even when we look at the plans for Dundalk and the Border area, a hospital, school or shopping centre may not be incorporated into the region's plan just because it is on one side or other of the Border. These areas lose out as a result. The Drogheda city status campaign is being launched tonight. I got into trouble for saying at a public meeting that if Drogheda is granted city status and nothing else happens, then it would be a missed opportunity. City status would benefit Drogheda and the national spatial strategy is essential in this regard. While I look forward to attending the launch of the city status campaign website tonight and give it my full support, I want to see meat on the bones rather than just a website being launched without any follow-up.

As other Senators said, gateway status was announced in 2002 as being the panacea for many towns and cities. Politicians at local and national level were all hoping to have their area included as this status would allow for regional development. Dublin is such a powerful weight on the east coast that it could almost topple Ireland into the Irish Sea. The western and southern areas are missing out as a result with regard to the spatial strategy. Some radical action needs to be taken, even considering moving the capital city to the other side of the country. I do not mean that Dublin should be penalised but investment should be focused on enhancing the west coast, Galway, Athlone and Limerick to create true national regional development. I have passionate views on this subject with regard to my own area.

I said at the meeting in Dundalk last Monday night that Ireland's agriculture, tourism and heritage sectors were its great strengths. I refer to the Annagassan Viking find which shows that the north east could be transformed by this find. Drogheda is missing out on opportunities to make it a tourism hub. We should look at what we can do ourselves rather than complaining that a Minister is based in another town or area. I have invited the Minister for Tourism, Culture and Sport, Deputy Mary Hanafin, to visit County Louth at the end of November to see how tourism can be developed. The Minister is planning the development of walking trails and the north east is one of the most beautiful parts of the country. I welcome the additional

funding announced today by the Taoiseach and the county enterprise boards throughout the country to develop micro-tourism and micro-businesses. We need to focus on these areas.

Older business people are inclined to avoid the smart economy but the challenge for all politicians is to explain what is meant by the term. It means working more efficiently and in a smarter way, whether it is the business person dealing more effectively with waste management or the farmer managing the work of milking or dealing more efficiently with energy use and costs. It may be a case of considering other suppliers as competition has delivered great price savings. When I opened a constituency office I moved to another electricity provider and made a significant saving. We also need to re-examine local rates because many rates were struck at a time when prices were high.

Senator Dearey and I were county councillors when the Louth County Council development plan was drawn up. Drogheda Borough Council held its meetings every Monday to try to tie down the plan. These development plans are a realistic effort at regional development. My main point is that we have to look at the greater Dublin area regional development plan and guidelines, the national spatial strategy and the Northern Ireland development plan. They should all be overlapping rather than all going in different directions.

Senator Cecilia Keaveney: I wish to add my tuppence-worth to this important debate. I am surprised many of us rural Senators are not beating down the doors to challenge the Dublin Senators. The debate has highlighted the difference between the situation as it was and as it is now. I do not believe there is a difference. The goal of the national spatial strategy was to spread the development and increase the economic potential of the country in a fairer way in order that all the island would benefit from development rather than having everything centralised in Dublin, Cork, Galway or any of the other major towns that are always mentioned as being south of the Dublin to Galway line. Those of us in Donegal were quite excited to see there would be a real gateway and an aspiration — it is important to aspire to a goal — for a Derry to Letterkenny axis. This would have stopped all the nonsense that prevented common sense from intervening as it would ignore the Border in the interests of common sense, economic, health and infrastructural development. This is still as aspirational as it was in 2002 and perhaps even in 1902. Some have been quite negative in saying nothing has happened since. I believe there have been achievements in my area of the north west.

I note the level of co-operation in the development of North-South partnerships within the North-South Ministerial Council. This day last week I attended the first North-South parliamentary forum in Newcastle, County Down. Members of the Legislative Assembly from all parties met Members of the Oireachtas and discussed sensible issues such as agriculture, the impact of Europe and grassroots issues which are very important to our areas. It was very satisfying to note that reality was breaking out. If we continue to develop plans and to act on these, our self belief and status will improve and there will be less attention paid to those who seek to destabilise the current peace process. The spatial strategy and the development of that corridor from Letterkenny to Derry is very important.

Senator Hannigan also alluded to the fact that decentralisation was the core of the national spatial strategy. If that was the case, we would not have had decentralisation in Buncrana. Between €27 million and €29 million was spent in Buncrana on a decentralised social welfare office which was a consolidation of the existing social welfare offices and which accommodated the Garda station. Some people might think I look as though I have been on a sun holiday, but I can confirm that my most recent sunburn occurred on Monday in Buncrana. We are optimistic people in County Donegal and things are not as bleak there as they seem to be in

[Senator Cecilia Keaveney.]

Dublin. The opening of the Garda station took place outside. The Garda band was there and the speeches took place outside. Our biggest problem was that anyone in short sleeves was sunburned. It is different up there and we aspire to keep it so.

Decentralisation has worked for us. It is a status symbol and has generated a sense of self-belief. We will use that as a catalyst to bring in other businesses. It is an important criterion when people consider investing in the area. We have Government jobs that have the potential to allow people to move back to County Donegal or to come from outside the county to it. People have the potential to see their children enter the Civil Service and for them to have a career path in County Donegal. I welcome the fact that gateway funds will come back again. One can have plans and action but ultimately one needs funding to make matters realistic.

Other matters do not need money initially and much work can continue. I return to trying to get the north west kick-started more quickly. There is a north-west Milwaukee festival, a major event in Milwaukee that brings tens of thousands of people to the area. People from Milwaukee will be coming to the north west next year and the festival will be based between Donegal and Derry. We hope to bring in many tourists. Derry was announced as the stopover for the Clipper Round the World Race and it was also named as the city of culture for 2013. Such events mean we must work together as a gateway. We must be in a position to maximise the spin-off and overspill from these Derry events. Much planning must take place at village and town level. I have been working in my home town to galvanise people because many events are taking place but people must pull together to market the event. That filters up from the ground in the ability to say “Yes, we can”, a phrase that is borrowed from Bob the Builder rather than President Barack Obama. That can influence Government so that when other funding is in place, we can get our share because we have identified priorities.

I welcome money for the county enterprise boards. Donegal County Enterprise Board received €170,000 and has identified the potential for 30 jobs. It is not a case of aspiring without something to underscore the aspiration. These are real jobs and I would like to think we will continue to be focused on how we deliver funding.

We still have issues with basic infrastructure such as water, sewerage and broadband. In my area we pay the television licence fee, but some do not receive coverage. It is fine to identify locations where there will be substantial investment, but we must continue the work done under the Department for Community, Rural and Gaeltacht Affairs, as it was known, which was under the stewardship of Deputy Eamon Ó Cuív and is now led by Deputy Pat Carey. It is accepted that big money must go to the big locations but there has been some great activity in the rural communities in terms of work with CLÁR. Innovation and great foresight has taken place in this respect.

There is no place better to study for potential than the area between Donegal and Derry. There is great potential in health co-operation. We must keep telling people that County Donegal was always pulled into meetings when it seemed cross-Border funding was available. County Donegal was the notional co-signatory on many applications. Now, we are not the added other but are the co-financier, the co-decision maker and the people who drive the issue in a co-operative fashion. That is why it is important cancer services and health developments undertaken between Altnagelvin and Letterkenny are sold to the people as being of equal access rather than being accessible if there is spare capacity. Ministers have been saying this but they must continue to do so.

I welcome the access to the North provided by the N2 and A5. We do not have the motorway that everyone has but we have a dual carriageway and a commitment from the Government

that it will continue to co-fund this development with the Executive in the North. I hope nothing will derail the process.

Speaking of derailing, I hope to see a direct train from Dublin to Derry. There is no reason a train should not run. The railway line is in place, as is the train service, but we need investment to upgrade the track from Coleraine to Derry. The public service obligation for the flight from Dublin to Derry is up for renewal, like every other public service obligation. If we are serious about the spatial strategy and intent on giving everyone a fair share on the island of Ireland, we need the public service obligation to be maintained at Derry Airport because between 48% and 52% of people using the airport are from Donegal. It is serving us very well.

Minister for Defence (Tony Killeen): I am delighted to have the opportunity to contribute briefly on the debate on the national spatial strategy. I listened to much of what the Minister of State, Deputy Finneran, had to say, especially on the consultation that took place in the current round. I am surprised to note that the spatial strategy dates from 2002. I thought it was more recent. It has aroused a certain level of debate and concern in rural constituencies, such as my own, and in urban areas. It was interesting to hear comments and contributions from various speakers, coloured to some extent by the experiences of their regions and local authorities. There is an acknowledgement on all sides of the House that the fundamental philosophy underlying the spatial strategy is sound. While doubts were expressed about the efficacy or, more particularly, about the manner in which it was implemented, there is acceptance of the need for a spatial strategy along the lines of what we have. Some of the major investment decisions have been made by taking account, at a minimum, of the existence of the spatial strategy and the fact it determines to a considerable extent how this works out.

These debates provide a useful form for Members of the House to have input. As a Member of the Oireachtas, one is sometimes struck by the level at which debates on these issues are conducted remotely from Parliament. This provides an opportunity for Members to have a direct input and to set down their considerations. An Oireachtas joint committee was briefed by the Department on this matter and came up with responses that are sometimes much better when directed by the *de facto* specialists owing to their membership of the Oireachtas committee.

Some of the key points raised in the debate concerning the purpose, direction and implication of the national spatial strategy are important and should inform the future direction of the policy. There is a perception that the national spatial strategy is exclusively about gateway cities and hubs. That feeds into the view, common in parts of rural Ireland, that it works against the growth and development in rural areas.

It behoves all of us to address this misconception. First, to establish that it is a misconception and to address it in terms of ensuring that the growth of the hub and gateway cities is done in such a manner as to benefit the rural hinterland and also not to undermine the potential of the rural hinterland to achieve its own level of development. The strategy is not just about growing the gateways and hubs to the detriment of all other areas. It is about maximising the potential of all the regions, urban and rural areas, to the benefit of all inhabitants and the country as a whole. It is also about sustaining and supporting rural communities. The strategy includes key policies and principles to enable rural areas to develop in a sustainable and balanced way. Sometimes the short version of the spatial strategy overlooks all of this.

Rather than dismissing the strategy, the key question should be how we can deliver better and more consistently on its objectives. For example, in the executive summary as well as the main body of the report it states:

1 o'clock

[Tony Killeen.]

There is scope to better harness the potential of rural areas and create new employment therein, particularly in the sustainable use of indigenous natural resources in agriculture and agri-business, forestry, fisheries, renewable energy and tourism sectors, but also in other areas such as knowledge-based or creative sectors, which are not location-critical. All such strategies and initiatives will require practical support at all levels of Government, State agencies and the private sector.

Part of the argument on the strategy is that we need to ensure the part set out in the report and the executive summary is also given balanced and equal treatment.

A recent report by the National Competitiveness Council reinforced internationally accepted analysis that strong cities make strong regions. Having a vibrant, progressive and growing urban core is critical to supporting the wider region's economy — the corollary is that without a strong regional and urban focus, the surrounding rural areas will suffer in terms of lower economic growth and less opportunity to develop sustainable rural initiatives. As a nation focused on getting back on its feet economically, we cannot afford to let that happen. However, it should not be said that growth cannot happen in rural areas. What we need to do is manage the significant pressures that have arisen in recent years on unplanned and dispersed commuter-driven development, for the most part generated by displaced urban demand, that does not provide a sustainable basis for rural towns and villages to create vibrant communities.

Regional planning guidelines which are adopted by the elected members within each region are the linchpin between the national spatial strategy which sets the broader strategic planning framework at central government level and local planning which sets the local context for development planning and development management. The new and updated regional planning guidelines, the last of which is scheduled to be adopted next week, and the 2010 national spatial strategy report both recognise the integral link and need for balance between growing those larger urban areas that have capacity and infrastructure already in place to grow, and facilitating development in more rural areas.

However, the regional planning guidelines do not state growth should not happen outside of the gateways or hubs — what they are aiming to do is assess and guide on a regional and county by county basis how we can best manage future growth, both within the region itself and across the country as a whole. Past planning mistakes where large suburban-style estates were built on the fringes of small settlements and where long-distance commuting was facilitated should no longer be allowed to happen. What we want to see is more sustainable patterns of growth that will enhance rural communities and create successful and cohesive rural areas.

Another key message from the national spatial strategy report is the importance of prioritising and co-ordinating investment. The report highlights, from a spatial planning and regional development perspective, the key areas for continued investment in the stock of Ireland's physical and social infrastructure, namely, supporting employment and a return to an enterprise-led smart economy, completing a sustainable transport network, building on sustained investment in recent years, promoting environmental sustainability with sustained investment in water services and energy efficiency together with habitat protection as a particular focus, delivering sustainable communities through sustained investment in regeneration of existing disadvantaged urban areas, catching up on infrastructural deficits in areas that have developed rapidly in recent years, and harnessing the potential of rural areas, including a more diversified rural economy and the potential of such areas to develop productive local economies, and to deliver sustainable energy alternatives towards a less carbon intensive economy.

Now that the report has been published, it is time to get on with implementing its key actions. The Government looks forward to the continued support of Members of this House in that respect.

Acting Chairman (Geraldine Feeney): When is it proposed to sit again?

Senator John Ellis: At 2.30 p.m. on Tuesday, 19 October 2010.

Adjournment Matters

Government Agencies

Senator Fiona O'Malley: I am pleased the Minister of State, Deputy Billy Kelleher, is present to discuss this important issue. He was in the Chamber recently discussing the need to create jobs. The Minister of State's responsibility is for trade and commerce. However, we need to look at what is happening at home in terms of jobs. I was taken by ISME's report which was launched earlier in the week. It points the finger of responsibility at the Government. We should pay attention to the research conducted. ISME maintains that big business and State agencies are deliberately delaying payments. A total of 44% of companies are experiencing payment delays of more than three months. We need to examine the Government's responsibility in that regard. Government agencies are responsible for 23% of the delay in payments and multinationals for 28%.

We must find a solution. One of the calls ISME makes is for a 30 day mandatory credit period. Could that be provided so as to reassure small businesses? Cashflow is the lifeblood of any small industry and it needs to be protected. These are unusual times. A mandatory 30 day credit period should be considered. The Minister of State will be aware of the late payments legislation from 2002 which provides cover to a certain extent for this. Perhaps it was established on foot of a European Union directive rather than a locally motivated one. I welcome the fact that people carry out research on important matters. It is worthwhile examining how well the legislation has worked. If it is working then we have no problem. However, it is clear that we have a problem. The Minister of State is nodding in agreement. When the legislation was introduced the average delay in payments was 50 days. Unfortunately, in the most recent quarter the delay was 73 days. The good news is that the delay has reduced from 76 days but that is not good enough.

I heard from ISME about the situation faced by a relatively small company. It needs a credit facility of €40,000. The engineering company in question is owed hundreds of thousands of euro by its creditors. It has orders that would maintain 30 jobs but the credit facility is unavailable. We must do something about the employees. The managing director of the company is afraid he will have to let them go by Christmas. I know the Minister of State would do anything to keep those 30 high-end jobs. It is a viable business, but the company cannot get access to credit. That is the other problem it is facing. I accept the Government is trying to deal with the issue. In terms of solutions I wonder whether it is possible to consider the Small Claims Court. How effective can the law be? A small bakery that supplies a major supermarket which is not paying does not enjoy an even playing field; it is David *v.* Goliath. We must examine the possibility of having some of these claims looked at in the Small Claims Court if we can amend the legislation.

[Senator Fiona O'Malley.]

Since the introduction of the notification period by the Government to reduce the payment period, Departments have improved, but the State agencies, including the HSE, which control huge budgets should be included. It would be a simple but effective measure. There is evidence of improvement, but why are the State agencies allowed to remain outside the system?

Minister of State at the Department of Enterprise, Trade and Innovation (Billy Kelleher): I thank the Senator for raising this important issue. The issue of late payment has been a source of concern for small businesses for sometime because of many factors such as the economic downturn and the lack of credit in the broader economy. This has created huge difficulties in accessing credit and receiving payment in the small and medium enterprise sector.

To assist businesses and set a good example for other purchasers, in accordance with the Government decision of 19 May 2009, all central government Departments are required to pay their business suppliers within 15 days of receipt of a valid invoice. This commitment has had effect on all valid invoices received on and from 15 June 2009 and is helping to ease cash flow difficulties for enterprises.

To date four sets of returns have been published on the Department's website. The fourth set of returns covering the second quarter of 2010 were published on 31 August. They show that, in value terms, Departments paid 97% of invoices within 15 days, compared with 96.7% in the first quarter of 2010, 97.9% in the fourth quarter of 2009 and 97.8% in the third quarter of 2009. The total value of these payments made within 15 days was €816 million, involving 47,269 payments. Nine Departments were paying in excess of 90% of invoices by value within 15 days, four Departments were paying in excess of 80% of invoices by value within 15 days and two Department had paid 79% and 62%, respectively, of their invoices by value within 15 days

Departments are playing their respective parts in assisting the cash flow of their suppliers, many of which are small and medium enterprises. The new procedures and processes introduced are having an impact in assisting Irish SMEs to access cash flow in the current difficult economic environment and this development must be welcomed. Enterprise Ireland is assisting small and medium enterprises to make applications and tender for Government contracts. We are also looking at ways to pare down tendering contract size. A section in Enterprise Ireland is dedicated specifically to public procurement.

It is the responsibility of each Department to meet its obligations under the terms of the Government decision. However, any businesses which experience difficulties in receiving payment on foot of valid invoices within 15 days should contact the contracting Department to resolve their difficulties.

The ongoing publication of the composite returns by the Department provides clarity about the performance of individual Departments in meeting the terms of the Government decision. The arrangements operate on an administrative basis and do not alter the contractual relationship between Departments and their suppliers or the 2002 late payments legislation. No penalty interest applies in cases where payments are made outside the 15 day administrative period but within the normal 30 day period. Late payment interest generally falls due after 30 days have elapsed from the receipt of an invoice. The 2002 EU regulations on late payments also provide for compensation for debt recovery costs. Greater use of these provisions would assist in achieving a better culture of earlier payments.

The HSE has recently reduced its payment period to suppliers from 45 days to 30. The issue of extending the 15 day prompt payment period to the wider public sector is under consideration.

The issue of a mandatory 30 day payment period was mentioned. I can see the merit in this, but there would also be serious pitfalls. A contractual agreement between two individuals could be affected if they have decided to extend credit terms. Equally, if a supplier has agreed a contractual arrangement for 60 days credit, such a mandatory payment period would override it. While we want people to pay promptly, there are practical reasons this not happening. Unfortunately in the present climate, some companies are not capable of paying in less than 30 days because they may face credit flow difficulties. These companies would be in breach of mandatory payment legislation, even if the supplier had agreed to extend the terms of credit with an additional interest payment.

We understand the SME sector is under pressure, but that goes back to the original decision to make sure there is a flow of credit into the economy which is starting to trickle out. I accept that for many months there has been cash starvation and a withdrawal of capital in the economy. Mr. John Trethowen has stated publicly that he senses there is a freeing up of credit. With stability returning to the banking system because of the actions of the Government and some of the more responsible Opposition parties, there will now be access to credit. If suppliers are dealing with Departments and not experiencing prompt payment, there is a mechanism in place for them to make a complaint and they should do so forthwith.

Senator Fiona O'Malley: I agree that many Government agencies have improved, but we cannot be complacent. For someone who is one of the 40% not being paid by the Government agency the Minister of State mentioned, it is a problem. I welcome the movement to a prompt payment system, which is obviously necessary. If a business makes a contractual agreement, it can stand, but if we were to adopt best practice, it would work best for everyone. I ask the Minister of State to consider this because a contract is a contract and paying within 30 days is as important a part of it as anything else. If there was a legal framework to support businesses in these circumstances, it would be of great assistance.

Schools Building Projects

Senator Paul Bradford: I welcome the opportunity to highlight the concerns of the authorities at St. John the Baptist national school, Midleton, County Cork, which urgently needs a new building. I am normally disappointed when the line Minister is not present to respond, but the Minister of State, Deputy Kelleher, knows this area and many of the parents involved and is aware of the need for new, modern accommodation at the school as soon as possible. I appreciate that, prior to the Minister of State's attendance to listen to my comments, he received a ready-made answer from his Department. I ask him to take the opportunity at his convenience during the coming weeks to meet the school authorities, examine the situation at first hand, determine what the possibilities are and make progress.

I will for the House and the Minister of State briefly outline the background. I understand St. John the Baptist national school has eight teachers and an enrolment of 218 pupils. It is almost unable to cater for the number of pupils wishing to attend. There are already 67 new applicants for next year. All three of the permanent classrooms need refurbishment and there are five prefabs. Given that three full-time special education teachers also work out of these prefabs, they house a total of eight teachers. An application to the Department of Education and Skills for major building works was lodged in 2005, but no response was forthcoming until

[Senator Paul Bradford.]

recently when the Department's building section gave the standard reply of a lack of funding, etc. It was disappointing news for the board of management.

I have been asked by the school authorities to bring to the Minister of State's direct attention that the prefabs are costing €40,000 in rent per annum, a situation that is replicated throughout the country. At a time when we are discussing how to make a new beginning for the country and its economy, we must consider why such money is being spent on prefabricated accommodation that is fit neither for need nor for purpose.

It is also important to note that the prefabs in question are present under temporary planning permission from Midleton Town Council. The council has indicated to the school authorities that when the temporary permission expires, it will not be renewed. I am not attempting to scare the Department into action. It is a matter of fact that, bad and all as the prefabs are, it might not be possible for them to remain in place. Action is urgently required.

The board of management and the parents proposed a plan whereby much local assistance and labour would be made available if some type of public private partnership could be initiated. The €40,000 being used for rented accommodation could be used to repay a loan. When the education portfolio was held by the Minister of State's colleague, the Minister for Enterprise, Trade and Innovation, Deputy Batt O'Keeffe, he tried to introduce a number of pilot schemes. The town of Millstreet comes to mind, although I am unsure whether that project has come to fruition. Under the scheme, money would be put in place to build permanent classrooms instead of renting prefabs. We must be flexible where our school building needs are concerned. We all recognise the lack of national resources, but we also recognise the need to provide appropriate permanent accommodation. Tens of millions of euro are being wasted on rental accommodation per annum.

I look forward to what will be the Minister of State's standard answer. I appreciate how these matters work. As someone who comes from a parish that is only a few miles away from the school in question, I am sure children from his parish of Glanmire attend it. Will he take a personal interest in the project? Midleton is a long way from County Donegal, the home patch of the Tánaiste, and even the home patches of her Ministers of State. As the Minister of State, Deputy Kelleher, is present, we would like him to take an interest in the issue and determine whether a funding mechanism could be used to provide a better result. Spending €40,000 last year, the preceding year, next year and the following year to prop up structures that are beginning to fall down is a wanton waste of taxpayers' money. Would it not make sense to devise a formula or strategy, be it public or private, for this and other schools that would provide sufficient flexibility to allow works on permanent buildings to commence?

While I am not expecting miracles, will the Minister of State take a personal interest in the matter and, if he has not already done so, visit the school during the coming week or two to meet its authorities? As more than enough ground is available, no site is required. The board of management and parents' association are committed and many people are willing to volunteer their designing and engineering help. We should be able to bring them all together to resolve the problem. I look forward to the Minister of State's——

Deputy Billy Kelleher: Standard reply.

Senator Paul Bradford: ——unscripted remarks in addition to what he is supposed to say.

Deputy Billy Kelleher: The Tánaiste and Minister for Education and Skills, Deputy Coughlan, sends her apologies. I thank the Senator for raising this matter and acknowledge his

deep interest in the school in question as well as in the broader Midleton area. If I received an invite from him or the board of management, I would be delighted to visit the school. As he knows, we are always reluctant to trespass on other people's areas. If I can, I will use my position as a Minister of State to assist schools in County Cork and elsewhere. I am aware of the problems of St. John the Baptist national school as I know one or two people whose children attend it.

Modernising facilities in our existing building stock, as well as the requirement to respond to emerging needs in areas of rapid population growth, are significant challenges. The Government has shown a consistent determination to improve the condition of our school buildings and to ensure the appropriate facilities are in place to enable the implementation of a broad and balanced curriculum.

All applications for capital funding are assessed in the planning and building unit of the Department of Education and Skills against published prioritisation criteria, which were formulated following consultation with the education partners. The assessment process determines the extent and type of accommodation needed based on population growth, demographic trends, current and projected enrolments, recent and planned housing developments and the capacity of existing schools to meet the demand for pupil places. As part of this process, a project is assigned a band rating under the prioritisation criteria. There are four band ratings in all, with band 1 being the highest and band 4 the lowest. For example, band 1 projects include the provision of schools where none currently is available but where there is a high demand for pupil places while a band 4 project provides for desirable but not necessarily urgent or essential facilities. Projects are selected for inclusion in the school building and modernisation programme on the basis of priority of need. This is reflected in the band rating assigned them. A building project moves through the system commensurate with the band rating assigned to it and as it is ready to proceed.

The school to which the Senator referred has a staffing level of a principal and eight mainstream teachers. The school also has the services of two learning support-resource teachers and a resource teacher. In 2009, the school had an enrolment of 219 pupils, representing a 22% increase in enrolments in the past five years. The school applied for the provision of an extension to the existing school building in 2005. The project was assigned a band rating of 2.2, which reflects the fact that there is a deficit of mainstream accommodation that constitutes a substantial and significant proportion of the school's overall accommodation needs. The Senator referred to the number of prefabs, some of which only have temporary planning permission. This matter is taken into account when considering the criteria. Owing to competing demands on the Department's capital budget, it has not been possible to progress the project through architectural planning.

The extent of the demand on the Department's capital budget is enormous, providing as it does for accommodation for new communities, modernisation and extending existing schools. However, huge inroads have been made in addressing these needs. In this regard, the Senator will be aware that in February the then Minister for Education and Science, Deputy Batt O'Keeffe, announced details of 52 major school building projects to proceed to tender and construction. In recent years a further 22 major school building projects were approved to enter architectural planning, while this year a further 29 high priority projects will begin the design process and appoint design teams. It was not possible, however, to include the project for St. John the Baptist national school in the announcement and, therefore, it will not proceed this year. However, it will be considered for inclusion in the Department's 2011 programme and future capital programmes in accordance with its band rating and the availability of resources.

[Deputy Billy Kelleher.]

The Senator will understand it is not possible to progress all projects at the same time, as resources must be in place to complete a project. This is a critically important point. For many years schools were allowed to enter the schools building programme when there was absolutely no hope of the projects proceeding because no financial resources were made available to ensure school building projects could be funded. Now they progress only if there are commensurate resources available to meet the cost of their development. All school building projects, including that of St. John the Baptist national school, will be advanced incrementally through the system over time as funding becomes available.

I thank the Senator for raising the issue. If the school, local Senators and Deputies contact me, I will be delighted to visit the school.

The Seanad adjourned at 1.35 p.m. until 2.30 p.m. on Tuesday, 19 October 2010.