

SEANAD ÉIREANN

Dé Céadaoin, 27 Deireadh Fómhair 2010.
Wednesday, 27 October 2010.

Chuaigh an Cathaoirleach i gceannas ar 12.00 mean lae.

Paidir.

Prayer.

Business of Seanad

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

The need for the Minister for Health and Children to outline the progress on the reconfiguration of hospital services in the south east; and the circumstances surrounding the resignation of the clinical leader of the reconfigured group.

I have also received notice from Senator Paudie Coffey of the following matter:

The need for the Minister for Health and Children to outline the planned levels of investment proposed for Waterford Regional Hospital to secure services in the areas of cardiology, cancer care, palliative care and accident and emergency.

I have also received notice from Senator Liam Twomey of the following matter:

The need for the Minister for Health and Children to make a statement on the reason St. Vincent's Hospital is refusing to accept public patients from County Wexford and the reason some patients are required to travel to Cork to receive specialist services.

I have also received notice from Senator Fidelma Healy Eames of the following matter:

The need for the Minister for Social Protection, in his proposal to means test the State contributory pension, to clarify if he is proposing to deprive people of something for which they have already paid for over 40 years, or more in some cases, which is, in itself, subject to levies.

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

The need for the Minister for Community, Equality and Gaeltacht Affairs to outline the Government plans to tackle the growing number of heroin users.

I regard the matters raised by the Senators as suitable for discussion on the Adjournment. I have selected the matters raised by Senators Cummins, Coffey and Twomey and they will be taken at the conclusion of business. The other Senators may give notice on another day of the matters they wish to raise.

Order of Business

Senator Donie Cassidy: The Order of Business is No. 1, statements on the national housing development survey report; No. 2, statements on the Food Harvest 2020 report; and No. 35, Private Members' business, motion No. 17 regarding the treatment and management of diabetes. It is proposed that No. 1 shall be taken at the conclusion of the Order of Business and conclude not later than 2.55 p.m. if not previously concluded. Spokespersons may speak for ten minutes and all other Senators for seven minutes, and Senators may share time by agreement of the House. The Minister shall be called upon not later than 2.45 p.m. for concluding comments and to take questions from spokespersons or leaders. No. 2 shall be taken at 4 p.m. and conclude not later than 5.30 p.m. Spokespersons may speak for eight minutes and all other Senators for five minutes, and Senators may share time by agreement of the House. The Minister shall be called upon not later than 5.20 p.m. for concluding comments and to take questions from spokespersons or leaders. No. 35 shall be taken at the conclusion of No. 2, but not before 5.30 p.m., and conclude not later than 7.30 p.m. The business of the House shall be interrupted between 3 p.m. and 4 p.m.

Senator Liam Twomey: Tomorrow we will have a debate on the economic crisis. It is important that when the Minister comes to the House he gives us a clear statement of what is going on. This year is probably the worst ever in terms of how the country has been run. Economic crisis has been heaped on top of economic crisis. I ask that the Minister explain three simple things when he comes to the House tomorrow. He must detail the severity of the cuts we will see this year and next year. I ask him also to explain fully the status of the Croke Park agreement, as he made some comments about it this morning that would cause one to wonder whether he believes in it any more. He must also clearly define the role of the EU in finding our way out of this crisis. The complete collapse in consumer confidence that has occurred is due to fear about what might happen. When people feel the Minister is playing games with them and telling them this or that may happen, it only adds to the fear and confusion. There is a significant need for clarity and honesty from the Government in communicating with the people.

I ask for a debate with the Minister for Health and Children on the issue of junior doctors, which I have raised a number of times but which keeps cropping up and is becoming more severe by the day. Our hospitals are staffed, beneath consultant level, largely by doctors from non-EU countries. There is a serious crisis with regard to the number of doctors, the quality of their training and their English language skills. The best the Minister can do is to say there is a problem and we have a shortage of doctors. Yet she has been in that Department for the last six years — the same time it takes to train a doctor — and she does not seem to have done much about it, apart from publishing reports. The crisis is on her doorstep and she should be dealing with it.

Senator Joe O'Toole: Over the weekend there was a certain level of certainty and regardless of whether we like it, the Government has a clear target of a deficit figure 3% of GDP by 2014, with budget cuts of €15 billion being frontloaded. This means people should and will know where they stand in the next few weeks, even though they might not like it. They will know that the upcoming budget will be the worst they will need to suffer, which will allow them the confidence to move forward. Similarly, in the case of the Croke Park agreement, we need top level targets for the numbers of jobs that will be extinguished and the savings to be generated in order that we will know whether it will be a success or otherwise. It is not a question of salaries; we need to look at the overall savings to be made.

We also need to ask what the private sector is doing. There are three pots of gold: pensioners, many of whom are paid every month and afraid to spend money; public servants, whose jobs are protected and who seem to be afraid to spend money; and, the biggest pot of all, the €90 billion in savings and the €10 billion in the national pensions fund. We are talking about taking €15 billion out of the economy at a time when there is in excess of €100 billion in savings in the country. I ask my colleagues in the private sector to come up with strategies and approaches to release some of this money. All we need is for people to spend €1.50 out of every €10 saved, which would put more back into the economy than the €15 billion to be taken out of it. Let us consider this as a focus to restore consumer confidence. I was not enthusiastic about the car scrappage scheme introduced earlier this year, but it worked; it was a good bargain which got people to spend money.

We need to clear the blockages, including the blockage in the hotel industry. NAMA hotels which are owned by the State and the banks are undercutting, undermining and destroying the business of hotel owners who are in the industry for the long term. Hotels not taken over by NAMA or run by the banks should be able to avail of a tax break for every room filled over the course of the next year in order to have fair competition. The same banks which destroyed the country are now destroying another industry.

There is a pot of gold available to get the economy moving. It is our money, not European Union money or money from the bond market. All of the money that needs to be taken out of the economy can be put back in by encouraging Irish people to spend €1.50 out of every €10 of their savings. People are now saving 10% of their income; the figure has never been as high in the history of the State and will drive the economy into stasis.

Senator Dominic Hannigan: Yesterday the *Irish Examiner* reported on the Leader's attempts to defend the performance of the Seanad which he said served a very useful purpose in scrutinising legislation. I am very annoyed, therefore, to find once again on the Order Paper that we will not deal with one Bill. This is our fifth week back since the summer recess and in the first three weeks we dealt with no legislation. While we dealt with some last week, it was thanks to Fine Gael. In five weeks we have dealt with two Bills. I looked at what some of our predecessors in the Seanad did. In the last Seanad, four years ago, the then Leader, now Deputy O'Rourke, introduced nine Bills in the time the current Leader has introduced two. It is not good enough and the Government needs to revisit the issue. It is not the case that there is no legislation due to be taken. The Climate Protection Bill 2007, to which we referred three weeks ago, is ready to be taken. There is cross-party agreement on introducing it and we need to meet our international obligations. Let us introduce and debate it. Three weeks ago the Deputy Leader, Senator Boyle, said the matter should be resolved within two weeks and went on to say: "If not, I would be prepared to support a debate on the alternative legislation." Today we will give him the chance to do so because we call for a change to the Order of Business in order that we can debate this very important Bill. Let us see some legislation before the House. I, therefore, call on the Senator to support our call.

An Cathaoirleach: Is the Senator moving an amendment to the Order of Business, that No. 15, the Climate Protection Bill, be discussed?

Senator Dominic Hannigan: I am.

An Cathaoirleach: Okay. I call Senator Boyle.

Senator Dan Boyle: I am happy to inform Senator Hannigan that there has been significant progress on the Government's climate change Bill and I expect an announcement to be made about it.

Senator Jerry Buttimer: How many weeks?

Senator Dan Boyle: I am glad such progress has been made because there is a need for a wider debate. Senator Bacik's Bill is deficient and the Bill from the committee on climate change is also deficient. The Government's Bill is an attempt——

Senator Maurice Cummins: To put it off.

Senator Dan Boyle: No, it is an attempt to fill many of those gaps and to bring more coherent legislation before the Houses. The reason that it and much promised legislation is not before the House is that too much of the Government's and particularly the Attorney General's attention has been taken up with dealing with our fiscal crisis. Like everybody else, I consider that unfortunate as I would like to be debating far more legislation in this House. There are many key legislative measures in the programme for Government agreed last year which our party would like to have debated in both Chambers, and the climate change Bill is key among them. However, I am confident there will be progress on that legislation as well as the Bills on corporate donations and noise pollution before Christmas. The Senator can quote me on that as well.

Senator Dominic Hannigan: There is to be legislation on the Lord Mayor before Christmas as well.

Senator Dan Boyle: On the issue of the clarity that has been given about the €15 billion, I welcome the statements by Senators. We will have an opportunity to debate it in greater detail in the House tomorrow. However, it is important that there is appropriate honesty during the debate. If we do not deal with the €15 billion adjustment over a four year period, if we do not have a four year strategy that is credible in international terms and if our need to borrow money to meet our public expenditure needs is not met within a very short timeframe, the only alternative is to deal with this in one budget in one year and the cost of that would be €25 billion. Let that figure sink into people's minds. We can then discuss more honestly how we can deal with the 3% target and the €15 billion adjustment over a four year period.

Senator Jerry Buttimer: I commend Senator Boyle for asking for honesty. Will we get the full facts from the Government, given that at every opportunity the Minister for Finance has changed position?

Will the Leader clarify the remarks he made yesterday in the *Irish Examiner* regarding being able to live on €65,000? They must be clarified because there is a perception among the public that many politicians are out of touch and living the high life or in a bubble, when we do not. Equally, will the Government ever understand the optics of last Monday, as Ministers pretended to be working on a bank holiday, went up to Farmleigh in their State cars and leaned out of the windows to tell people that they feel their pain? Clearly, many members of the Government do not feel or understand their pain and are unaware of their frustration.

Will the Leader facilitate Senator O'Toole's request for a debate on how we can secure investment and get consumer spending to increase? There is €100 billion waiting to be spent. Rather than dividing the public and private sectors we should encourage people with money to spend and create consumer confidence. Many shops, small and medium enterprises and other outlets are struggling to survive. All that is required is a little creativity and incentive from the Government to encourage people to spend and have confidence. Irish people lack confidence at present because they are not getting leadership. They have seen no vision from the Government. Members of this House should show them that we have the ability to play our part in providing them with some type of incentive to spend their money.

Senator Fiona O'Malley: There is a certain irony in the European Union voting a budget increase for itself last week when it is requiring every member state to reduce its budget. It is setting an appalling example. Could we have a debate on that issue? We do not get enough time in the Oireachtas to discuss such issues. We will impose a huge burden on the Irish people in the next budget. It is largely under the direction of keeping the rules in Europe together but then the European Parliament voted itself an increase. This is a matter the House needs to debate.

Over the weekend I attended a conference in Istanbul on human trafficking and the empowerment of women. It was good to hear from parliamentarians across the world describe the legislative action they have taken and the co-operation among countries to stop the practice of human trafficking. While not the same matter, I read recently of some women in Ireland released from false imprisonment in sham marriages. The Minister for Justice and Law Reform should attend the House to explain what specific legislation is required to reduce this. At the conference, a parliamentarian from Malaysia explained when its government showed a will on this matter, levels of human trafficking were turned around. As Ireland is seen as a destination country, we must debate our responsibilities in this area.

While at this conference, I also noted Istanbul's great metro-bus system. As we are thinking about spending much money on the metro north project, the cost-benefit analysis must be re-examined. The Istanbul model was a cheap alternative. Will the Minister for Transport attend the House for a debate on the metro north project? We need to examine the project's costs and see if a cheaper alternative, similar to that in Istanbul, could be built.

Senator David Norris: Following on from what Senator Hannigan said about maintaining the dignity of the House and having some legislation and what Senator O'Malley said about the expenses of the European Parliament, does the Leader believe that by his remarks in recent days he has brought the Seanad into disrepute? I would like him to clarify the situation. The newspapers certainly have taken up a situation where he appears to be saying he finds it difficult to get by with four children on €65,000 a year. I find this astonishing and I was very ashamed when I heard it. I do not know how anyone could make a provocative statement such as that, if it was made, in the face of the fact people are losing their jobs, are living on the minimum wage of €8.60 per hour and cannot pay their mortgages. I have just done my income tax, my income is down by half, but I simply could not make a statement like that. I used the good times to pay off my bills and I am in a very fortunate position. I certainly would not rub the noses of the public in this. It is catastrophically unwise and brings the House into disrepute. I hope Senator Cassidy can clarify this.

Senator O'Toole raised the question of the disposal of Bank of Ireland's art collection. It is an astonishing mistake. Today, I received a catalogue of the sale containing some great works by some of our most distinguished artists. These are to be sold off for €1 million or €2 million which is a drop in the ocean. These works will be lost when they should belong to the people. As a result of the auction, they might very well end up in the private collections of those who put the skids under our economy. I believe these works, which include some by Louis le Brocquy and Maurice MacGonigal, should be given to the Irish Museum of Modern Art.

It was just confirmed to me that €7.9 billion of senior bonds was redeemed by Anglo Irish Bank with a loan from the European Central Bank on 30 September. I do not believe the House was aware of this transaction. We need to monitor continually the draining of funds into this awful black hole of a failed bank.

Senator Mark Dearey: I welcome this morning's encouraging announcement by the Irish Exporters Association of an increase in exports. They highlight that fact that, aside from the

[Senator Mark Dearey.]

currency issue which is an assist, competitiveness has been cited as one of the key reasons our exports are growing. We are regaining the competitiveness that we lost during the good times. We are also regaining our focus as a nation which does well when it trades with the rest of the world. In other words, we are regaining our focus on what is often called the smart economy. We are losing our unfortunate addiction to construction which accounted for 24% of all economic activity during the boom. This has been a painful rebalancing and it will take a long time for all sectors of the economy to follow the lead which the export sector has provided. However, we should take encouragement from this, learn lessons from it and understand broadband speeds and connections, the numbers of which have increased twofold in the past three years, and such initiatives are helping make the smart economy a reality and create job opportunities throughout the country.

I raise the issue highlighted in today's edition of *The Irish Times* regarding the shortage of non-consultant hospital doctors and the impact this is likely to have at Our Lady of Lourdes Hospital, Drogheda, in which, according to Dr. Staunton, the lead clinician in the department of anaesthesia, the shortage of anaesthetists has the potential to cause a collapse in the service. This is extremely serious. I call on the Leader to establish if the Minister for Health and Children could come to the House to clarify what exactly the HSE intends to do to tackle the looming crisis which will hit us from 1 January following the changeover of non-consultant hospital doctors. This is another example of where the HSE has failed to plan properly for the impact its strategies will inevitably have and calls into question its ability to plan strategically. I wish to hear the Minister's comments on the issue and the more acute issue of the impact on anaesthesia services in Our Lady of Lourdes Hospital, Drogheda.

Senator Paul Coghlan: I second the amendment proposed by Senator Hannigan to the Order of Business. I am pleased that reality is dawning and that we will see the proposed monitoring and oversight from the European Union. We all agree that this is far preferable to having the IMF here running the country in place of whoever was in government. Sooner or later the question of a mandate will arise and the issue must be clarified. However, we are spending €19 billion more than we are receiving, which is total madness. It is crazy that this is happening now. We should have been dealing with the issue before now. However, we must deal with it and the more the cuts can be front-loaded in what will be the first of a series of four budgets the better. Let us consider what we will be adding to the burden of the national debt and the great increases we have witnessed in recent times in the cost of servicing our borrowings. This is total madness, which must be brought to a halt immediately. We look forward to that happening. That is the correct approach for us to take.

The Croke Park agreement comes into play because we are not getting value for money throughout the Civil Service. As I stated last week — others have vouched for this also — there is an issue in the monitoring of the activities of Departments. I understand Ministers do not sit in on management committee meetings. However, Departments lack co-ordination within, never mind among one another. We all know about certain turf wars and the carry-on of civil servants who are supposed to be serving the State like the rest of us. This is abhorrent. A national cop-on is required urgently. We need to deal with the matter immediately.

Senator Niall Ó Brolcháin: Last week I called for a debate on the international economic situation and I repeat my call now. For example, during the weekend there were discussions about the riots which had taken place in France related to the French Senate holding a debate on increasing the retirement age to 62 years. We could do with holding a debate on bringing the retirement age here to 62 years, which many would welcome, although I do not see it happening. Having said that, I endorse the comments of Senator Dearey on the excellent export

figures achieved and he is absolutely correct to point the finger squarely at the building boom as being the big problem. Many of the economic fundamentals are sound but we must see that in the context of the international situation. Ireland is a small and open economy and it depends on the ability of other countries to buy our goods and services.

I note the comments of Senator Norris with regard to the arts. In a time of recession, it is important to support the arts and education. I call for a debate on the arts because it is important to support the arts at this difficult time. I endorse the comments of Senator Norris.

Senator Eoghan Harris: Senator O'Toole drew attention to the fact that our savings amount to over €100 billion. Some €88 billion of that is private savings and commonsense tells us a considerable portion of it must come from public servants such as the one who resigned recently on a pension of €155,000. What will he do with it? His children are presumably reared and his House is presumably paid for so he is probably saving it.

Senator Mary M. White: Hear, hear.

Senator Eoghan Harris: We must find some way of extracting that idle €88 billion. One of the ingenious suggestions is that the Government should borrow from its citizens instead of borrowing abroad. It could set up a national bond, as was done during the War of Independence, where the citizens take part of the national debt at attractive rates. Look how effective the SSIA scheme was. If the Government offered an attractive rate of return and the scheme was guaranteed to the citizens, it would release the €88 billion fairly rapidly.

I draw attention to the fact that this is not a poor country. A sum of €88 billion does not argue a poor country. In that respect, I was baffled to read on Aertel on bank holiday Monday that Ireland is the number one international choice for inward investment. I did not read that in a newspaper, I did not see it on television and I did not see it reported as the number one item on the news. If we are the number one inward investment destination in the world, I would have thought it was worth headlines or that the Government would have its public relations staffers selling the good news. We hear so little of it.

Senator Paschal Mooney: I am glad that Senators O'Toole and Harris raised the question of savings. Members on this side of the House and our colleagues in the other House have had discussions with the Minister for Finance on how this can be utilised in the national interest. In the context of the Minister coming to the House, perhaps this can be teased out in more detail. As currently instituted, the national recovery bond term is too long. Most of the people who have money are near or at retirement age and a ten-year term proves to be too long to leave the money in place. Perhaps a reduced period of between three and five years should be available. I wrote to the Minister in this regard and the matter is being actively discussed. The post office savings bond, which currently holds between €3 billion and €5 billion, can be used immediately by the Government unlike the national recovery bond. It is paying a rate in excess of 3%, which is competitive with the commercial banks. I ask for a more proactive marketing campaign targeted at the people who have money, as pointed out by Senators O'Toole and Harris.

Senator Eoghan Harris: Hear, hear.

Senator Paschal Mooney: We should encourage them to put money into post office savings because that money goes to the Exchequer and can be used immediately.

Senator Eugene Regan: I refer to the comments of Senator O'Malley about the EU adopting a budget. The reality is that the European Parliament adopted its version of the EU budget, a

[Senator Eugene Regan.]

budget not agreed to by member states and which must be mediated with the Council of Ministers. It is inappropriate to call this into question or invoke anti-EU sentiment at a time when the EU provides the lifeline to this country and economy.

Senator O'Toole raised an important point about savings. We had a savings ratio of just over 2.5% in 2007 and we now have a savings ratio of 12%. Money is tied up by people who are afraid to spend. Putting money into a post office account or buying a national bond amounts to saving and it is not solving the problem, as one wants people to spend money to get consumption to rise as a key component of the economy. The only way this can be done is for certainty to be provided by the Government as to which direction we are moving in the economy. We have had a discussion about whether the sum required is €15 billion and if that amount in savings can be achieved in the public finances by 2014. We can talk about this until the cows come home. We are still talking about the location of the children's hospital, whether we should extend the Luas or build metro north and the Poolbeg incinerator. Delays cost money.

Senators: Hear, hear.

Senator Eugene Regan: If the Government gives leadership on the public finances, we know we are hitting the bottom and dealing responsibly with the public finances in the conduct of the economy, consumers will begin to spend again. There is no easy way out of it. The problem is that the systemic risk posed by the Government to the economy is destroying consumer confidence and until this is put right, we will not get consumers to spend again.

Senator Terry Leyden: On the points raised by Senators O'Toole, Harris, Mooney and Regan, there is approximately €100 billion in savings which is not being released into the economy. The national solidarity bond was suggested to the Minister for Finance, Deputy Brian Lenihan, in this House and he ran with the idea in the budget. It is being organised by An Post but is not being promoted in the way it should. The Minister should review the methodology used for its sale to the public. It is not correct that everyone goes on-line. It is difficult for people who have savings to access the Internet. With respect to An Post, the post office is not the best location either, given the queues to receive pension payments and conduct other business. Mainstream banks should be brought on board and encouraged to adopt the project. That would be worthwhile, as more funds would accrue. When I initially brought forward the idea, I said there would be a need to use it as a personal, private pension scheme for those who did not have pensions but who would be prepared to invest a considerable amount of money, provided they would be able to draw it down at a certain age and rate which could be worked out by experts in the Department of Finance. I put it to the Department, but I did not receive a response on that point. No one looked at the idea of people buying into a pension scheme based on giving the funds to the State on a regular basis and getting it back when they reached 65 or 66 years or some other age. The House would do the State some service by promoting such an approach. We could pool ideas across the floor and put together a formal proposal to be made to the Minister in this regard. If we could draw down the money with a return to be made in a number of years, it could be recirculated throughout the country again. We should consider the issue and not be overawed by the crisis. The fact remains that there is approximately €100 billion in savings in the country.

Senator Feargal Quinn: What is the position on the Criminal Justice (Public Order) Bill 2010? It is a Bill "entitled an Act to prohibit harassment or intimidation of members of the public by persons who engage in begging". I gather it has gone through some Stages in the Dáil, but it has not yet reached this House. I do not know what the experience of other Members is, but I have found that begging and intimidation which I have really only noticed

in the past year or two have harmed the tourism business and impacted on those who might be considering investing in this country. To a large extent, it does not involve individuals who are short of money but professional beggars. In walking from Leinster House to Grafton Street one comes across the same people over and over again. We have legislation on the Statue Book, but it seems to have come to a halt. The Bill mentioned was initiated last January, but it has not yet reached this House. On one occasion my daughter was stopped by someone who was looking for money to buy something to eat. She refused to give money but went into a nearby shop and bought a sandwich and a cup of tea. However, the person concerned threw them at her and said they wanted money. I am talking about professional beggars. There is a difference between such individuals and those badly in need. That legislation is on the books, but I do not know what has happened to it.

Senator Harris discussed how we do not see any good news. There was a lovely bit of news from Derry this week, in that it is hosting the Clipper 11-12 Round the World Yacht Race. Those ships will reach Derry in July 2012. It had a problem deciding on what to call its own boat. The solution it came up with was to call one side of the boat Derry and the other side Londonderry. This is an effort to compromise and to incorporate both sides. I wonder to what extent it is possible for us to achieve similar compromises in other sports. It is interesting that some of the foreign games we play, such as hockey and rugby, have united Ireland teams while some other games we play do not.

Senator Paschal Mooney: Only one — soccer.

Senator Feargal Quinn: No, many other sports have separate teams. Let us see if we can find a way to get behind a single team. It may require consideration of the national anthem, the flag and the colours worn, but let us see whether we can use the good news to our benefit.

Senator Joe O'Reilly: Senator O'Toole initiated an important debate this morning on the question of savings. We have €100 billion in savings and 10% of people's incomes is being saved, but it is important that this money be used in the economy. It is equally important that the moneys in the pensions reserve fund be used productively. We should examine from where we can acquire further money for the State.

We need a stimulus programme and a job creation programme. In my clinic work, there is nothing more heart-rending than meeting young unemployed people and their parents. Something radical needs to be done. My party's NewERA document includes the idea of using money from bonds to invest in the green economy and job creation projects. This should happen.

No group spends more money and puts more money back into the economy than our farmers. It is wrong that 108,000 farmers who were meant to get half their payments are only getting a fraction of those payments because they are waiting on maps to be digitised in the Department of Agriculture, Fisheries and Food. That should have been done months ago and scheduled over time. Those farmers are without an income they would have invested in the local economy. They have a tremendous record of going into local hardware shops and spending their money. The situation is causing farmers considerable hardship. Will the Leader raise this specific point and try to get a response for the House as to what can be done to get those payments issued to farmers immediately, particularly since they predicated their planning on the basis of receiving them?

Senator Ivana Bacik: I wish to second the amendment to the Order of Business proposed by Senator Hannigan. Senator Coghlan might have already seconded it, so I will third it, as it concerns debating the climate change Bill that I proposed three years ago. The debate is long

[Senator Ivana Bacik.]

overdue. I noted with interest Senator Boyle's response to Senator Hannigan, in which Senator Boyle suggested my Bill was deficient. I take issue with his comment, as the deficiency lies in the three years of prevarication and delay from a Green Party in coalition that insisted in 2007 that climate change legislation was one of its top priorities. We still see no sign of the legislation. It will be three weeks tomorrow since I last called a vote on this matter. Three weeks ago, Senator Boyle assured the House that there would be progress within two weeks and that, if there was none, he would be frustrated. I hope he can express his frustration by voting with us to change the Order of Business so we can debate climate change legislation and he can tell us what are the deficiencies.

Senator David Norris: Hear, hear.

Senator Rónán Mullen: The climate has changed in the Green Party.

Senator Ivana Bacik: It certainly has. Climate change legislation is a key element of its programme for which it should be pushing. Senator Hannigan, others on this side of the House and I, who have been calling for this debate for so long, are doing the Green Party a great favour by pressing its senior partner in coalition on this matter. We want to see a change in the Order of Business to discuss the Bill. It is not deficient. If Senator Boyle believes it is, let him debate it in the Chamber. I ask also for a long overdue debate on prisons. On Friday the Minister for Justice and Law Reform published no fewer than five long-delayed reports on prisons from the Inspector of Prisons. One report, dated 13 August 2009, contained damning critiques of conditions in prisons, in particular in Mountjoy Prison. The Inspector of Prisons, Mr. Justice Michael Reilly, stated there was "inhuman and degrading" treatment going on in our prisons every day and night of the year, with the horrible and brutal practice of slopping out continuing, among other things. We need to have a debate now that we have the five reports and the necessary information and Senator Cummins and I have called for one.

Senator Paul Bradford: I support what many of my colleagues have said, especially Senator Coghlan who spoke of the need to bring a degree of certainty to the economic debate. We have enough detail to go on now although it might be more helpful if final figures were available from Government. There is a general recognition across the political spectrum now of the absolute need to stick to the 3% figure, the deadline of 2014 and the need for a €15 billion adjustment. We must be generally supportive of the front-loading figure as pronounced by Senator Coghlan but I recognise also that the front-loading of €4.5 billion or €5 billion of adjustments will cause significant difficulty across the economy. Although it may be necessary we must try to focus on the other side of the equation, namely, the need for some degree of a stimulus plan. In that regard, what was said by Senators Harris and O'Toole, in particular, about trying to spend some of the moneys currently on deposit must be considered. We must also recognise what Senator Regan noted, namely, there are many spending and administrative blocks in the system which must be tackled and taken out of commission. This has been a problem not only in recent times but during the past decade. Projects are approved but do not commence for many years because of planning and other objections.

We must say to the public that this recession will end, as all recessions do, and when it ends we will have a better society in place. It is up to us to show the leadership to create that better society and to ensure we will try to tackle the blockages in the system. We must reflect in tomorrow's debate on what Senator Coghlan said about front-loading because in so far as is possible we must show the colour of our various political moneys and try to present reasonable presentations of how the adjustments can be made. "Adjustment" is a dictionary term but

adjustments will mean tax increases, cutbacks and pain for many people and we try to ensure it is done in a very fair and balanced fashion.

Senator Rónán Mullen: We have heard some very interesting points from Senators O'Toole, Harris and Regan. We should have a debate about the whole issue of savings. I hear, too, about many people who have accumulated large amounts of personal debt on credit cards and such-like. I presume we are not talking about the same people. However, it is important that we have an informed debate in this House about the dynamics of all that in order to use the House as a place where the consciousness of the public is raised about the need to share resources and get spending — wherever people have the resources to spend — so we can experience the growth for which we long.

Although we face tough times it remains the case that we must apply rules fairly. This morning the Joint Committee on Social Protection had a debate about the application — I should say misapplication — of the habitual resident condition. In this context we are talking about the returning Irish who experience bad service, misinformation and fobbing off, particularly at local level where they are dealing with community welfare officers. This leads to the misapplication of the condition to their disadvantage. People are being told that because they have not lived in the country for the past two years they cannot be considered habitually resident which is blatantly false. The supplementary welfare allowance, which is supposed to be the safety net payment, is being got wrong leading to homelessness. These are returned emigrants who are being left homeless because of the misapplication of the condition. The Department has now made it more difficult to get statistics on this because it no longer counts the local refusals. I would like the Minister for Social Protection, Deputy Ó Cuív, to come to the House and explain what is being done in regard to the training, guidelines and the monitoring of people who are obliged to apply this condition, what is being done about the collection of data and whether it is possible to remove section 246 of the 2005 Act, that is, the very unhelpful two-year rule which seems to be causing more confusion than anything else.

I asked last week whether consideration could be given to the issue of animal welfare because the business of making Ireland a better country must continue, even while we grapple with our economic problems. It is not acceptable that it is not an offence to possess or train an animal for fighting, for example. It is not even an offence to spectate at an event at which animals are fighting. We need legislation along the lines of that in place in Scotland. I ask the Leader what he can tell me, either today or in the next couple of days, about the proposed animal health and welfare Bill. When will it be before the House? Will it be part of the good news on future legislation?

Senator John Paul Phelan: I echo the sentiments expressed by many of the previous speakers and Senator Mullen put the matter very well. There is a paradox as regards the thousands who face enormous levels of personal debt — that is the great difference between what is happening in the current recession and what happened in the 1980s — and the figures expounded by Senator O'Toole and others which indicate that there is more than €100 billion in savings. The task of matching the two will be very difficult. The Government has a great responsibility in that regard, but perhaps we will have an opportunity to start the discussion tomorrow.

Will the Leader specifically tell the House what the position is on the reform of local government promised by the Minister for the Environment, Heritage and Local Government, Deputy Gormley, a couple of years ago when he said he would introduce new legislation?

Senator Paul Coghlan: There is a White Paper on the way.

Senator John Paul Phelan: Christmas is coming too and the White Paper has not yet appeared. However, it could be a white Christmas. In the light of the significant reforms to be introduced in how public services are delivered and given that we discussed recently the reform of the VEC sector in the delivery of local services, many services are being delivered by central government that should be and are throughout the rest of the European Union delivered by local government, an issue I would like to see addressed in the White Paper. At this time of national difficulty, perhaps we should be looking at significant reform of local government. Rather than reading, as we did in the newspapers yesterday, that a further cut of 10% in local government funding is being looked for, the fact is that many local authorities are being pushed to the pin of their collar. It is shocking that the only concrete offering from the Minister in terms of local government reform is the Dublin mayoralty election which will prove to be something of a white elephant. It is proposed to spend a great deal more money with very little return for the taxpayer. The public in general are much more concerned about how their respective local authorities are being run and will be structured for the future.

Senator Michael McCarthy: I shall make just one brief point. I appeal to the Leader to invite a Minister or a Minister of State to the House in order that we may impress upon him or her the imperative that we do not attack those on social welfare in the forthcoming budget. This would not be acceptable, given that the long-term unemployed and pensioners have already seen a 5% reduction in their rates following the abolition of the Christmas bonus last year. Any debate on the budget must centre on the issue of job protection and especially job creation because every job loss costs the Exchequer, in social welfare payments and lost taxation revenue, around €20,000 per annum. Job creation, therefore, must be at the core of the economic debate and argument. We cannot take anymore from those who are barely existing on €196 a week.

Senator Donie Cassidy: Senators Twomey, O'Toole, Hannigan, Boyle, Buttimer, O'Malley, Norris, Coghlan, Harris, Mooney, Leyden, O'Reilly, Bacik, Bradford, Mullen, Phelan and McCarthy all made excellent suggestions as regards the forthcoming debate on the need for a series of four budgets. The Minister will be in the Seanad tomorrow for an all-day debate on all of these matters. All of the excellent suggestions and proposals made can be brought to the attention of the Minister tomorrow and the debate will be open-ended. The party leaders met today and as long as Senators are offering to speak, we will want to hear everyone's viewpoint. The debate will start after the Order of Business tomorrow morning. Some excellent proposals have been made today and I will pass all of these on to the Minister. Tomorrow, colleagues can put their views again, particularly Senator O'Toole on how to get finances flowing again and the significant funds available in savings. Senators O'Malley and Regan expressed views on the EU budget and the proposed increases. Senator Regan pointed out that the Council of Ministers has not yet decided on this. I have no difficulty in having a debate on this.

Senator Twomey called for an urgent debate on the issue of junior doctors. I will endeavour to arrange for the Minister to come to the House to respond on this issue. Also, Senator Dearey called for debate on the issue of non-consultant doctors at Our Lady of Lourdes Hospital, Drogheda. I will arrange for that debate also if at all possible.

Senators Hannigan, Bacik and Coghlan raised the issue of the lack of legislation to be dealt with in the House. A huge amount of legislation is being taken in this session, but unfortunately, because of the demands on the time of the Office of the Attorney General, due to the various difficulties being experienced by the country, there is an unprecedented lack of legislation for this House. If anyone looks back over the logs of the sittings of the Seanad over the past ten years, they will understand this is an unprecedented time. I thank colleagues and party leaders

for their understanding in this regard. I assure the House I am doing everything I can to get legislation to the floor of the House as soon as possible.

Senator O'Malley called for a debate on human trafficking, particularly with regard to sham marriages. I have already given a commitment on this and have no difficulty with a debate taking place. She also called for the Minister for Transport to come to the House and for us to take another look at metro north. She told us of our experience of the terrific public bus service in Istanbul. I saw it first hand this year and agree it is an excellent service. I will pass her strong views on to the Minister.

Senators Norris and Buttimer asked me to explain a comment I made in one of the national papers with regard to a comment I made at the close of the Order of Business last Thursday on which I was asked to expand. I assure the House it was never my intention to do anything other than to highlight the difficulty being experienced by everyone. I apologise to Members, to the people of Ireland and everyone concerned for any offence caused by anything I said. It was never my intention to hurt anyone. What I was saying was that Senators have all played a part and that we had taken the levy and wage reductions and would, in the national interest, continue to play our part. That was the intent of my reply. I know that people are hurt, but that was never my intention. Anyone who knows me and my background, knows I am not someone who was reared with a silver spoon. I know exactly what it is like and how difficult it is to know where meals will come from in two or three days time. I apologise again. It was never my intention to hurt anyone. I am personally hurt also, apart from the hurt anyone else may have experienced. We all learn from time to time. It was never my intention to cause hurt. I hope this clarifies everything for everyone.

Senators Dearey and Ó Brolcháin welcomed the great results of Irish exporters for the quarter. I join them in that. As Senator Dearey said, becoming and remaining competitive is the way forward. We congratulate everyone in the private sector involved, the Government and Departments that are making this happen. I agree broadband is playing a major part in helping us become more efficient, get better value for money and reduce the cost of communications on our wage bill.

Senators Ó Brolcháin and Norris called for a debate on the arts. I support that call and will arrange for that debate. Senator Quinn asked about the Criminal Justice (Public Order) Bill 2010. I will find out the position on that for the Senator. He also mentioned the significant tourism potential and value to be obtained from the visits of the tall ships. We are all aware of that value as a result of the visits of the tall ships to Dublin and Waterford.

The compromise reached by Derry and Londonderry is a shining example in terms of how we can bring together everything on all parts of the island of Ireland. I agree with the sentiments expressed by Senator Quinn in this regard.

Senators Cummins and Bacik have been for some time requesting a debate on prisons. I am pleased to inform the House that this debate will take place next week.

Senator Ivana Bacik: I thank the Leader.

Senator Donie Cassidy: Senator Mullen asked for an update from the Minister for Social Protection, Deputy Ó Cuív, on section 246 of the 2005 Act. I will request that the Minister, Deputy Ó Cuív, who has always been forthcoming in response to requests from me to come before this House, come to the House to discuss the matter. Senator Mullen also asked about the animal health and welfare Bill. I will obtain the up to date position in that regard also.

Senator Phelan called for a debate on reform of local government, which commenced last week in this House in the context of Senator Cummins's Bill. That debate will continue in the House next week at which point as many Members as wish to do so can make a contribution.

An Cathaoirleach: Senator Hannigan has tabled an amendment to the Order of Business: “That No. 15 be taken today.” Is the amendment being pressed?

Senator Dominic Hannigan: Yes.

Amendment put:

The Seanad divided: Tá, 21; Níl, 29.

Tá

Bacik, Ivana.
Bradford, Paul.
Burke, Paddy.
Buttimer, Jerry.
Cannon, Ciaran.
Coffey, Paudie.
Coghlan, Paul.
Cummins, Maurice.
Doherty, Pearse.
McCarthy, Michael.
McFadden, Nicky.

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

Níl

Boyle, Dan.
Brady, Martin.
Butler, Larry.
Carroll, James.
Carty, John.
Cassidy, Donie.
Corrigan, Maria.
Dearey, Mark.
Ellis, John.
Feeney, Geraldine.
Glynn, Camillus.
Harris, Eoghan.
Keaveney, Cecilia.
Leyden, Terry.
MacSharry, Marc.

McDonald, Lisa.
Mooney, Paschal.
O'Brien, Francis.
O'Donovan, Denis.
O'Malley, Fiona.
O'Sullivan, Ned.
Ó Brolcháin, Niall.
Ó Domhnaill, Brian.
Ó Murchú, Labhrás.
Ormonde, Ann.
Quinn, Feargal.
Walsh, Jim.
White, Mary M.
Wilson, Diarmuid.

Tellers: Tá, Senators Ivana Bacik and Michael McCarthy; Níl, Senators Niall Ó Brolcháin and Diarmuid Wilson

Amendment declared lost.

National Housing Development Survey Report: Statements

An Leas-Chathaoirleach: I welcome the Minister of State, Deputy Finneran.

Minister of State at the Department of the Environment, Heritage and Local Government (Deputy Michael Finneran): The publication of the National Housing Development Survey marks a crucial first stage in tackling the problems associated with unfinished developments. It should also serve to draw a line under much of the speculation over recent months about the extent of the overhang of unsold properties and of incomplete developments. The problems and difficulties faced by people living day to day in unfinished estates must be addressed but by undertaking this evidence-based survey of activity and conditions on the ground, the Government has taken prompt action to come to grips with an unprecedented set of circumstances.

In excess of 2,800 housing developments were identified where construction had commenced but had not been completed, and these developments translate into more than 180,000 housing units for which planning permission has been granted. Of those, more than 120,000 dwellings have commenced construction and 77,000 are completed and occupied. A further 33,000 homes are either completed and vacant or nearly complete, requiring, for example, final fit-out and connection to services. This equates to the total amount of real overhang of unoccupied houses — 33,000 unoccupied, nearly finished houses. A remaining 10,000 dwellings are at various stages of construction, from preliminary site clearance to foundations to wall plate level. While the results of this survey will not immediately change the reality for those living in half-finished developments without roads or street lights, the survey gives some significant comfort at an aggregate level. At that level, the problem is nowhere near as great as some have suggested.

Undoubtedly, the timing mismatch between the collapse in demand for housing and the less rapid growth of construction output has led to a position in which there is now a significant overhang of unsold property, but previous estimates of the overhang have been largely desktop exercises. This survey is more refined. The figures have been arrived at using a robust methodology based on on-site inspection by my Department's regionally based national housing inspectorate. A point that was lost in previous discussions on the extent of the overhang is that every housing market in the world, regardless of at what point of the market cycle it is, whether booming or falling, will have a certain level of vacancy in its stock. The Irish housing market is no different.

These survey results provide an important snapshot of the housing market in Ireland. The market remains weak and is likely to be so for some time to come. Now that we have identified the extent and scale of the problem and differentiated between the various types of incomplete estate, from finished but unsold units to abandoned and half-finished developments with no occupants, we can assess how best to manage the problems that have arisen. It is inaccurate to lump all the 2,846 estates inspected by my Department into the same category. As the detail of the survey shows, some of the estates were completed and fully occupied, some were completed and almost completely occupied, and some were completed and not occupied. It is worth noting that in terms of the scale of the estates surveyed, half had fewer than 30 dwellings and almost a quarter had fewer than ten. Of the 2,846 estates surveyed, 1,050 had some occupancy and were still under construction, whether that construction was ongoing or not. This represents roughly one third of the estates surveyed that are of the most serious concern.

From here we can move to the active stage, working with key stakeholders to develop appropriate interventions across a number of disciplines: public safety, the provision of bonds and securities, environmental protection, building control and estate management. The expert group I announced last week will be asked to develop practical and policy solutions to ensure satisfactory completion or resolution of unfinished housing developments. Its first job will be to complete work on the best practice guidance manual for managing and resolving unfinished housing developments. This will be a practical guidance document for people on the ground setting out the range of statutory powers currently at the disposal of local authorities to resolve urgent matters, and it will be delivered promptly. I have asked John O'Connor, chief executive of the Housing and Sustainable Communities Agency, to chair this group, and I am confident he will elicit the necessary engagement and co-ordination from stakeholders' representatives to deliver a succinct and coherent set of actions, recommendations and best practice guidelines.

From my perspective as Minister of State with responsibility for housing, there is an important distinction between incomplete developments and those that are not selling. The results provide a key strategic input not just to the evolution of the housing market generally but also to the delivery of social housing over the coming years. From the point of view of social housing, more important than the precise number of unoccupied units is what we propose

[Deputy Michael Finneran.]

to do with those that are vacant and available for use. For some time now, I have been pursuing a multi-stranded approach to obtain vacant unsold stock for use as social housing through a long-term leasing initiative. What this involves is a fairly straightforward matching up of over-supply with rising demand. This will be the central plank of social housing supply in the coming years.

Landlords, builders, developers and banks are all sitting on properties they cannot sell and either cannot or do not want to rent out privately. Some of these properties will end up with NAMA, and my Department is already engaging extensively with NAMA to ensure that wherever its aim to secure a sound return can be aligned with our need to provide accommodation for disadvantaged households, this will be achieved. The initiative is bearing real fruit. More than 2,500 units have been sourced and approved for use under long-term lease arrangements, and I expect that this initiative, along with the rental accommodation scheme, will account for around two thirds of total social housing delivery this year and more again next year. One of the main messages I want to get across to those retaining unsold vacant units is that my Department and every local authority in this country is open for business under the leasing initiative.

Senator Paudie Coffey: I welcome the Minister of State to the House for this debate and thank him for his words which will give us some small solace in the property and housing market crisis. I acknowledge that a start has been made by the Government, the Department of the Environment, Heritage and Local Government and the local authorities to establish the exact number of unfinished estates and vacant units in the country. I will say more about that later because I have some questions about it. We must acknowledge in this debate how we got here so that we can learn from past mistakes and the legacy that has now been passed on to the next generation — a poor legacy, unfortunately, as a result of the property bubble we have experienced over recent years and the lack of regulation by the Government of the various players in the property market and across the banking sector. One example of this is that between 2004 and 2008, more than €870 million in tax breaks was claimed by developers. That equates to almost €1 billion over a four-year period.

Deputy Michael Finneran: That was not all in residential property.

Senator Paudie Coffey: That will tell one about the policies of the Government and how they led to the property crash we are now experiencing.

Deputy Michael Finneran: We are talking about residential property in this debate.

Senator Paudie Coffey: We have also heard members of the Green Party, in particular, engaging in the blame game and trying to blame councillors for excessive residential zoning. This is possibly the case, as there was a lot of zoning. I must state publicly, however, that zoning a patch of land or a field for residential use does not necessarily mean that that land will be given planning permission for building by the local authority. This has been seen in many instances in which planning permission has been refused, for technical reasons or otherwise, for zoned residential land. Thus, it is not true that only councillors were to blame for the property bubble and the building boom. Developers, banks, the Government and the local authorities themselves played a large role. Now that the bubble has burst and we are in a crisis, we need to learn from what happened, move on and find solutions. For that reason I am happy this survey was done.

The survey probably does not take account of finished estates that have experienced problems owing to a lack of adequate infrastructure and poor building standards. As recently as

last winter, when we had a freeze over a period of weeks, we saw the problems experienced by many local authorities and private estates throughout the country due to incorrect placement of water pipes and other infrastructure. The residents of these estates — these are occupied houses — are still experiencing problems that have not been addressed. Many of these estates were certified by professional engineers, architects and quantity surveyors and were declared by local authorities to have been completed to the proper standard. Why has none of the persons who signed off on these estates been challenged in the courts? Why has their insurance cover not been claimed against by developers or local authorities to ensure inadequate infrastructure is put right? That is something that must be dealt with.

The Minister of State mentioned bonds from builders. These, unfortunately, are just too small to meet the need for major infrastructural correction. Such bonds were intended to be used to reinstate footpaths, install lighting and so on — simple, small jobs. They certainly were not intended to provide moneys to address major deficiencies in the infrastructure of unfinished estates. Unfortunately, we have missed the boat in that regard. Much work is to be done in terms of recouping money to correct sub-standard infrastructure in such estates.

The National Institute for Regional and Spatial Analysis at NUI Maynooth released figures for unoccupied units in July of this year. The Minister of State mentioned that many of those figures may have been incorrect, but I would be interested to hear his views on them. Has anyone in the Department compared the results of this analysis against the survey that has just been completed by the Department? There are serious differences in the two sets of figures. A further debate will be required another day to ensure we have the correct figures as a national baseline. Whatever measures we come up with, it is essential that the baseline figures are correct and factual.

The Minister of State mentioned that more than 33,000 vacant units are either complete or almost complete. More than 100,000 households are on local authority waiting lists for social housing. Some of those people may already be in rent allowance schemes or other such initiatives.

Deputy Michael Finneran: There are no such figures.

Senator Paudie Coffey: The Minister of State will get an opportunity to respond later, but those are the figures we are being given for those on the social housing lists, and if they are accurate, we need to address them. According to the Minister of State's figures, more than 58,000 units have planning permission but have not yet commenced. If those units commence, it will obviously affect the matching of population projections with vacant houses and will need to be taken into account.

The Minister of State also mentioned NAMA. The agency is only taking account of the properties and developments valued at more than €5 million. There has been little debate about the smaller developers who may have built ten or 20 units in many towns and villages. They are not and will not be in NAMA because the agency is not designed to deal with those people. Many of those developers are in trouble. They have their small estates started but will not get them finished because those developers are either in financial trouble or bankrupt. There is a significant group unaffected by the NAMA or banking debates. Many of these small developers are in hock to the bankers and are not being taken into account in the discussions of the billions of euro worth of developer assets being taken over by NAMA. There is a raft of smaller housing estates and units that will need to be addressed in the future but have not been mentioned in debate up to now.

The main problem with unfinished estates relates to the issue of health and safety. There are open manholes, ducting, broken footpaths, uneven surfaces and access to houses with no roofs,

[Senator Paudie Coffey.]

floors or stairs. They are of major concern to the residents living adjacent to them or in the local communities. That is the real challenge facing us. Last week I saw one of these unfinished estates in Waterford city on which I compliment the local authority and the developer. They tidied up the estate and screened off the area making access to unfinished areas impossible to the people living adjacent to it. The area was landscaped and it was quite a good job. Driving past it, while one would know it was an unfinished estate, it was safe and did not allow access to the public, especially children. I hope the developer and the local authority will at a future date get to develop it. It is a pity that model is not used in other estates. Even if money is not available for the major works, at the very least the area should be screened off, landscaped and made safe until the money is available and the solutions found. The Minister of State should issue a directive or guideline to all local authorities to ensure that is done. This may be the vehicle that might be used, as the Minister of State proposes.

We need to find solutions and I do not want to be totally negative. It behoves Members of all parties to find solutions to the crisis in which we find ourselves. I read the national housing development survey which seems to have engaged most of the stakeholders who should be involved. The employment agencies, including FÁS and the colleges, should be engaged because they deal every day with thousands of unemployed construction workers. Small estates of approximately ten houses could be ring-fenced in a local authority area and a team of unemployed construction workers could be put together under a proper system of health and safety. With a proper foreman and the appropriate number of craftsmen, apprentices could be put into a ring-fenced site to finish those houses. There is considerable potential if we think outside the box and not simply put the work out to public tender to the large construction firms. In the small communities we can put construction teams of various abilities in the trades together to finish these houses and then, one would hope, sub-let them to tenants. Even with vacant local authority houses one will often hear housing officers saying they do not have the staff or resources to refurbish such existing stock to re-let them. Perhaps the Minister of State would draw attention to that area. On the one hand there are people on the housing list and, on the other, there are vacant local authority housing units which, we are told, local authorities do not have the manpower to renovate, refurbish and re-let. Surely we should engage with the employment agencies to get people off the dole to refurbish those houses.

I have some concerns about the re-letting of some of these unfinished estates, which might have never been fit for habitation in the first place given that they are in remote areas that are not near services and schools. We need to be careful not to ask local authorities to house people in such areas without services and schools. The principle of Part V of the Planning and Development Act 2000 was to integrate social housing into mainstream private housing close to services. We could be at a critical juncture in trying to house people in remote estates with few if any services. These are people who are already socially disadvantaged. We need be very cautious not to put social housing projects in remote areas, which would be a retrograde step. We all acknowledge that we have an overhang in the housing market. Many of us know how we got here and the blame game goes on. We should have an independent inquiry across the areas of governance, regulation and planning to allow us once and for all to draw a line under the property bubble which we hope will not happen again. We have many lessons to learn.

We on this side of the House are certainly interested in working to find solutions. We have representatives on local authorities who are screaming out for solutions and we should engage on that basis.

Senator Camillus Glynn: Cuirim fáilte roimh an Aire Stáit. He is very welcome back to Seanad where he spent many years. These statements afford us an opportunity as Members of

the Oireachtas to welcome the initiative the Minister of State has taken in having the survey completed. The in-depth survey provides the diagnosis and the prescription and it is important to know the problem. The report was prepared by the Department of the Environment, Heritage and Local Government working with key stakeholders and involved a survey conducted by the Department's housing inspectors of all housing developments of two or more dwellings built or granted planning permission in recent years that had commenced by the time of the survey. It was initiated in May, completed in September and is the first independent field-based analysis of housing developments throughout the State.

In 2,846 developments construction had commenced but had not been completed. These developments translate into 179,273 housing units for which planning permission was granted. Of the 2,846 developments inspected, only 429, 15%, are active. While it is difficult to be precise about the exact number of housing units approved in total on all these developments, estimates suggest it is 179,273 dwellings. Some 78,195 dwellings in the developments surveyed are completed and occupied. Some 23,250 dwellings are completed and vacant, 9,976 are not complete and 9,854 are at various earlier stages of construction, from site clearance to foundations up to wall plate level. Planning permission has been granted for a further 58,025 dwellings that have not commenced and therefore do not pose immediate construction or site difficulties.

With regard to the estates that have been completed, for my 31 years in public life I have always complained about snagging in estates. There have been serial offenders in this regard. Certain developers move into an area, construct an estate and then leave the estate with, perhaps, broken footpaths, flooding on roads and a myriad of problems, especially in public areas such as the play areas for children. Most new estates will have a young population. I commend the planning enforcement departments of all the local authorities for getting to grips with these problems and tracking down the developers. Some of them are very good at disappearing. Planning enforcement is now, quite correctly, a very relevant and active part of every local authority. There might be a legislative void to cater for those serial offenders who have not completed estates but they should be denied further planning permission for developments. If they have not completed a previous development to an acceptable standard as laid down by the planning authority, they should get no further planning permission.

There is a good aspect to the issue of all these houses that are finished and unoccupied and even the ones that have not been completed. Housing is a very valuable asset. This situation affords local authorities an opportunity to cater for the unacceptable numbers on housing waiting lists. The housing lists are too long. I strongly support the rental accommodation scheme, RAS, and the movement away from rent subsidies. While rent supplement might have had a role in the past, it has outlived its usefulness. The RAS is a more positive development.

Cork was found to be the worst county for ghost estates, with 2,681 complete and vacant properties. Dublin city was close behind, with 2,536, while Waterford city was least affected with only 53 complete and vacant properties. Counties in the midlands such as Westmeath, Laois, Longford and Roscommon are also badly affected. One reason given for this was the introduction of property tax incentives in these counties. According to the Minister of State, Deputy Finneran, however, fewer than 10% of the unfinished estates were built with tax breaks. That explodes the myth put forward by certain people.

The comprehensive survey of more than 2,800 multi-unit housing development sites in every city and county provides a clear picture of the extent and scale of unfinished housing developments, the issues arising and the basis on which a clear package of actions to address and resolve both systemic and individual issues can be developed. Armed with this evidence, the Department of the Environment, Heritage and Local Government is initiating an action plan

[Senator Camillus Glynn.]

which will address planning, housing, building control and other matters relating to unfinished housing estates.

Existing legislation such as the Derelict Sites Act 1990 and the litter legislation of 1997 and 2003, along with planning legislation, can be used to ensure developers and the owners of sites engage with local authorities in addressing specific difficulties. There was a debate some time ago in the Oireachtas Committee on the Environment, Heritage and Local Government about the Derelict Sites Act. The legislation is under-used, as is the dangerous buildings legislation. Local authorities should be mercenary, if I may use that word, in getting rid of these eyesores. There was an example of what can happen in Mullingar town where there was a long-standing vacant site. When the local authority applied pressure, the owner applied for planning permission. The planning permission was not acted upon, however, and lapsed, whereupon the process was repeated. If there is a void in the legislation, we must fill it.

The recent Planning and Development (Amendment) Act contains an important amendment providing for the extension of planning permission for a period of up to five years in circumstances where substantial works have not been carried out but where there were commercial, economic or technical considerations beyond the control of the applicant which substantially mitigated against either the commencement of development or the carrying out of substantial works. This was an important improvement in planning legislation. I was personally supportive of the measure and a number of my constituents have sought to avail of that provision.

It has been a key priority of the Department of the Environment, Heritage and Local Government for some time to move people away from the rent supplement scheme to the rental accommodation scheme. As I said earlier, this is an important policy. The number of unsold houses lying idle which will come under the auspices of the National Asset Management Agency, NAMA, offers enormous opportunities in terms of leasing unsold stock by local authorities for social housing purposes. I hope local authorities will step up to the plate and make use of this bonanza. I accept that local authorities are strapped for money but this is an opportunity that is too good to pass up. I have referred to the unacceptable numbers on the housing waiting lists.

The new planning and development legislation will put an end to the bad planning that has resulted in a deterioration of the quality of life for those living in housing estates without any facilities, schools or proper public transport. Planning applications which have no regard for infrastructure are brought before local authorities. Councillor Ken Glynn and others on Westmeath County Council have regularly asked questions about schools and the number of school places available to accommodate a development if it proceeds, much to the discomfort of some developers. I am not anti-developer. I believe developers are important people, especially when they behave in an appropriate way.

There is no doubt that planning has at times been inconsistent with national, regional and local authority planning guidelines. The Planning and Development (Amendment) Act 2010 has put an end to this and will ensure greater coherence between national, regional and local guidelines. That Act is part of the Government's commitment to build in Ireland's smart economy a framework for sustainable rural development.

I welcome what the Minister of State has done in his capacity of responsibility for housing. It is an important step in the right direction. We have a long way to go but there is a window of opportunity now and I am confident he will encourage local authorities to step into the breach. They have a significant role to play on this issue. I thank the Minister of State for his comments on this important matter.

Senator Pearse Doherty: Cuirim fáilte roimh an Aire. Ní aontaím leis an cainteoir deireanach mar ní inniu ná inné atá an fhadhb seo againn, ach le tamall maith anuas. Caithfidh bheith dáiríre fá dtaobh seo agus cad atá déanta ag an Rialtas. Tá coiste curtha ar bun le scrúdú a dhéanamh ar caidé a dhéanfar leis na tithe seo sa toadhchá agus tá suirbhé déanta a dheireann nach bhfuil rudaí chomh holc agus a bhí daoine eile ag rá. Do na daoine atá ina gcónaí sna eastáit seo, cuid acu nach bhfuil aon scéim séarachais ag feidhmniú mar is ceart nó nach bhfuil soilsí ná tada ar an bhealach mór, níl sin maith go leor dóibh. Níl go leor déanta faoi seo, ach tá am mhaith ag an Rialtas le go leor a bheith déanta faoi. Ní fheicim aon práinn ón Rialtas ná ón Aire Stáit ar chor ar bith sa cheist seo. We have discussed the issue of empty housing estates before. Such a debate must include the planning process and the role of local authority members in rezoning lands, introducing county development plans and throwing the advice of county planners — public sector employees — to the wind.

The national housing development survey deals with the phenomenon of ghost estates. Unlike the famous ghost ship, the *Mary Celeste*, however, there is no mystery concerning how they came about. Neither is there a need to speculate about extra-terrestrials arriving from distant planets to build empty housing developments before heading home to the Orion constellation. The explanation can be found much closer to home.

Last week in the courts we saw evidence of how the property market operated during the Celtic tiger years. Some of the developments included in this report are a result of corrupt practices by politicians and former Members of the Houses of the Oireachtas. The Minister of State, Deputy Finneran, is a senior member of the Fianna Fáil Party. That party needs to acknowledge the responsibility and flaws of its party members' activities in bringing about this situation. Many of the housing estates that are unfinished are built on unsuitable lands, many of which are liable to flooding. They are the fruits of rezoning deals done by politicians, some corrupt, some misguided and some too cosy with developers and speculators. The speculators continued to build such estates in the same way a compulsive gambler continues to back horse after horse no matter how much he loses. The difference between the two, however, is that the gambler cannot turn to the State for a bailout. The same should have happened to these developers and speculators.

The Minister of State earlier stated, "One of the main messages I want to get across to those retaining unsold vacant units is that my Department and every local authority in this country is open for business under the leasing initiative." To me this reads as: "The message I have for the developers and speculators who gambled on the property boom and lost out is for them to come to Government Buildings because we will bail them out."

Deputy Michael Finneran: That is rubbish.

Senator Pearse Doherty: The leasing initiative is a bailout for speculators and developers.

Deputy Michael Finneran: That is absolute rubbish.

Senator Pearse Doherty: It is not rubbish.

Deputy Michael Finneran: It is rubbish.

Senator Pearse Doherty: The Minister of State will have an opportunity to reply later.

Deputy Michael Finneran: The Senator should give the facts. NAMA comprises only 13% of residential properties.

An Leas-Chathaoirleach: Senator Doherty, without interruption.

Senator Pearse Doherty: When NAMA was introduced, the Government claimed it would make a profit. Why? NAMA and the Government believe property prices will return to their peak in ten years. The Minister of State is telling those who own 30,000 unsold properties that he will rent them while putting taxpayers' money into their pockets. Then after bailing them out, ten years later they can have their properties back. There is a report from NAMA and expert consultants that shows property prices will reach a new level in ten years. The Minister of State is telling his developer friends from the Galway races tent that they can sell their properties after ten years after getting rent from the local authority. Meanwhile, what will happen to the Marys and the Johns who are social housing tenants in these properties? In ten years' time they will be turfed out on the road while the modifications they made to the property will be worthless. They will not even have the option of buying the property off the local authority.

The Minister of State can call my arguments rubbish all he wants. The leasing initiative is nothing but a dressed-up bailout for developers. Everyone, even those with an economics education, knows that in the long term it is cheaper to buy one's house than it is to rent. The Minister of State, however, now directs the local authorities to rent. This is throwing money after money which goes straight to the speculators and property developers who got us into this mess in the first place. That is not rubbish.

Deputy Michael Finneran: I am providing houses for those on the housing lists.

Senator Pearse Doherty: Instead of bailing out the developers, the Minister of State should be purchasing these properties.

Deputy Michael Finneran: I am not bailing out anyone.

Senator Pearse Doherty: The developers took a risk.

Deputy Michael Finneran: I will buy the houses if the Senator can give me €5 billion.

Senator Pearse Doherty: There are 47 apartments on Navenny Street in Ballybofey beside the town's Supervalu. The Minister of State could direct Donegal County Council to purchase all these apartments for €500,000.

Deputy Michael Finneran: The Senator should talk to his local authority about these apartments.

Senator Pearse Doherty: Then again, the Government does not agree with buying these properties because its message to the developers is that it will rent them off them and pay their mortgages over the next ten years. Then, they can sell them off when times get good again for a higher price.

The nonsense of knocking down houses is another attempt to restart the property boom which fed the Minister of State's party's coffers. When I was on Donegal County Council, I watched Fianna Fáil members, including a Senator who was later appointed by the Taoiseach, rezone land willy-nilly. They were putting points here and there on maps to indicate multiple developments. When Senator Brian Ó Domhnaill was the chairperson of the strategic policy and economic development committee for Donegal County Council, he argued for a tax incentive scheme for Donegal county so that more properties could be built. This was at a time when Donegal County Council received in excess of 8,000 planning applications every year. Fianna Fáil was arguing for a tax relief scheme in order that more properties could be built to fuel the housing market and keep the boys coming to the Galway tent. It is shameful the

Minister of State sits there saying it is great we have this housing report that shows it is not as bad as some suggest.

Deputy Michael Finneran: That is not what I said.

Senator Pearse Doherty: The people in the unfinished housing estates do not have the luxury Ministers have of a chauffeur-driven car, a €200,000 pay cheque every year and a sizeable pension. Instead, they must put up with overflowing sewage, untarred roads, out-of-order street lights and estates falling apart. The Minister of State should not be condescending in claiming this report shows matters are not as bad as others claim. It is a disgrace he can make such a claim, especially when he knows that if he has a quick look out the window of his chauffeur-driven Merc some time, he will see many half-finished estates.

Deputy Michael Finneran: I do not have a ministerial Mercedes. I drive my own car.

Senator Pearse Doherty: For the Minister of State to claim the situation with unfinished estates is not as bad as suggested and that a committee will sort it out is not good enough.

Senator Martin Brady: I thank and welcome the Minister of State, Deputy Finneran. He has done very good work in various areas as the Minister with responsibility for housing but I will not go into that. This is a very useful exercise and these figures give some idea of the problems that exist. According to the report, in the area covered by Dublin City Council more than 6,000 houses are unoccupied. We received word from the city council recently that there are 4,600 applicants waiting on the housing list in the same area. In Fingal approximately the same number are waiting. Overall in Dublin, more than 8,000 people are waiting. At the same time we are giving several of these people rental subsidies from the HSE. This is ridiculous and people are beginning to question why we are doing this when there are so many empty houses. We can all go back over history and discuss how this came about and so on and I will refer to that but I do not believe it will achieve anything. Senator Doherty referred to this matter in what was probably his pre-election speech. However, it does not achieve anything to knock something that happened in the past because there is nothing we can do about it now. We must take now as a starting point and move on. Many mistakes have been made, there is no doubt about that.

2 o'clock

Senator Jerry Buttimer: Hear, hear.

Senator Martin Brady: I could go through many of these in my area but it would serve only to illustrate that we will not make the same mistakes again. For example, local authorities introduced certain changes willy-nilly and I am unsure whether they were sanctioned by the Department. Since they did not have sufficient planners to inspect sites, they introduced self-certification. This meant one simply sent in drawings and the planners in the local authority would approve them although they were never on-site. The repercussions of this have been great indeed.

In the area I represent, Donaghmede, a development consisting of 76 apartments was built. The city council bought 16 of the apartments and the remainder were rented. After one year, it was discovered that these apartments were unsafe to live in. There were fire hazards and the apartments were unsafe structurally and so on. Everyone there had to be evacuated. Although the council purchased some of these apartments, it was not compliant.

In another unfortunate bone of contention in the area I represent there are 167 houses with a pyrite problem. Although it has not yet begun, a court case is likely in which the builder is

[Senator Martin Brady.]

blaming the quarry, claiming he received inferior materials for building. However, the quarry is blaming the builder for bad workmanship. This has been going on for the past four years. People have had to move out of their houses and be accommodated elsewhere while paying the mortgage. Some of these people had let rooms in the houses and they no longer have the income that generated. I met with HomeBond. It claimed it was not responsible for what took place in a quarry and that we must wait until the court case finishes. The builders maintain they do not have sufficient money to continue and they need money from HomeBond. They maintain the bottom line is that if they are pressed too hard they will simply go bankrupt and no one will get anything. I will hold a private discussion with the Minister of State about this matter at some stage.

I am simply illustrating some of the things that took place. No one cared and everyone did whatever they wanted to so long as the money came in and the kids were mentally conditioned to queue up at 6 a.m. on a Sunday morning. It was suggested that if they did not do so, they would never get a house because they would all be sold. That is exactly what happened. I do not like the phrase, "We are where we are", but we must deal with what is in front of us.

I am unsure whether it is factual but an official in the city council pointed out to me that the local authorities are still buying private houses in estates. This should be examined because it is pointless when there are so many vacant houses according to the figures in this report. Why is the city council still buying houses in housing estates when so many are empty? We have not come to grips with this problem.

Many people complain that local authority tenants are not as good as themselves. I do not buy that and I do not see any difference in where one comes from or what one does but the matter must be checked out. Allegations have been made concerning the manner in which subsidies are being paid out. They do not go to directly to landlords any more. There are allegations that the HSE disperses money to some tenants but that the tenants are in arrears. In other words, the money they receive from the HSE is spent on other things and the landlord is not paid. In other cases, tenants have informed the HSE they pay €600 but in fact they only pay the landlord €500; some people are making money in this way. I have investigated some cases and found this to be factual. We should move away from subsidised rental schemes and handouts from the HSE and the Department of Social Protection. The Minister of State is going in the right direction.

Earlier, Senator Coffey referred to unfinished estates. I know of many such estates and some weeks ago I visited one in particular. It was not in my constituency; it was in the countryside but I know a person living there. In that estate, the manhole covers were up, which is very dangerous. Some children tripped on them and an elderly person was injured. The builder has simply walked away but is still operating in a small way. He maintains he does not have the money to complete the works but the council maintains the money in the bond is not sufficient to complete the works either. The end result is that no one cares. In the cases I have outlined, which are factual, no one cares about those involved anymore. The perception is that the builders and the Government did as they pleased. I do not hold that this is true but I am pleased the Minister of State is making a genuine effort to improve this situation and I thank him. Earlier, I referred to speeches about who was bad in the past and so on but we must deal with the position now from here on in. Again I thank the Minister of State for his input into the report.

Senator Dominic Hannigan: I welcome the Minister of State, Deputy Cuffe. I have not had the opportunity to face him across the floor before in the Chamber. We go back a long way and I am very pleased he is in his current role and I wish him all the best in it. I welcome the

publication of the National Housing Development Survey and I am pleased we are spending some time on it. The report is very important and has considerable implications for the planning system and for economic and social policy.

Vacant, incomplete and unfinished housing is one of the most visible legacies of the boom and bust economic development we have witnessed. Some 13 years of mismanagement has left the State, local authorities and the next Government with the difficult problem of how to address and manage 2,800 estates and developments which are incomplete or in some cases substandard. The report has found there are some 43,000 houses and apartments which are completed but vacant and not signed off because some work remains to be done either on the apartments or houses or in the estates generally.

The recent “Prime Time” programme on RTE showed how this problem has implications for those living in the estates and others beyond. The consequences may include anti-social behaviour within the estates and in neighbouring areas. In some estates the conditions are unsafe for the families living nearby. Last weekend, I visited one unfinished estate in which the previous week a child had fallen. Luckily, the accident was not serious but it happened because developers left behind a development which was incomplete or dangerous.

The report shows that in County Meath, my county, of the 85 housing estates examined, almost one half do not have the final top coat on the roads. The report also shows that one half of these estates have incomplete play areas in which children would typically kick ball. However, they are unable to do so in some cases because the landscaping has not been put in place or rubble has been left in the common areas. This is a serious issue with implications for the lives of those in the estates.

Developers have been allowed to move on from unfinished estates to the next place for which they received planning permission. In many cases bonds put in place for the first estate were then rolled over such that the same money and bond was used in the next estate, often with the tacit agreement of the local authority. In 2005 I brought our then spokesperson on the environment, Deputy Gilmore, to visit unfinished estates in Duleek, County Meath. As a consequence, he tabled a Bill in the Lower House to address the issue. I read the proceedings of that debate earlier and noted that Deputy Cuffe, as he was then, had contributed to the debate and called for action to be taken to tackle the problem. The Minister of State at the time was Deputy Batt O’Keeffe who stated on 9 March 2005 that we did not need to introduce legislation dealing with unfinished estates because “there are significant measures in the 2000 Act to specifically address the issue of completion of housing estates.” Rather than deal with the issue, he threw out the Bill. The public was told by Mr. Charlie McCreevy and Deputies Cowen and Bertie Ahern that the economy was different from any other, that we did not have a bubble, that the position was sustainable, that this was an economic outlier and that there would not be a bust in the housing market. We now see that they were completely wrong. The constituency in which I live has suffered enormously because they told the people the market was safe. We have seen rezoning on a level that is completely unacceptable and construction quality and standards are not up to the mark.

It was reported during the summer in our local newspaper that, for planning purposes, in County Meath 61 times the amount of land needed for residential housing had been rezoned. With that amount of land we could increase the population of the county by over 200,000 people. When we consider the national picture, the situation is even more stark. The Minister of State is well aware of these figures. We have enough land zoned to provide approximately 1.1 million housing units and between now and 2016 we will need one third or one quarter of that number. Too much land has been rezoned in the past 15 years.

[Senator Dominic Hannigan.]

I welcome the publication of the report and the survey could be useful in finding the mechanism we need in considering the potential use to which many of these properties could be put. The report shows that in the constituency in which I live, County Meath, 800 houses are complete but empty. With the turn of a key, they could become homes for many of those on the housing lists of the local authorities. I support the call made by Focus Ireland that both estates and empty properties be used to tackle the housing waiting lists and the problem of homelessness in counties such as Meath. Adopting such an approach would salvage an important social benefit from the situation in which we find ourselves. Some 100,000 applicants are on local authority housing waiting lists, some of whom should be catered for by using the excess supply. I welcome recent comments by various Ministers suggesting they are open to considering such an approach. If it is done in the correct manner, it will be supported by my party.

The report marks the first step in addressing the issue of ghost estates. The next step is an assessment of bonds and how much they come to. We should also have an estimation of the work needed to put these housing estates right in order that we are aware of the size of the gap to determine the cost will need to be funded from central or local government. The end result of the report will be the delivery of quality homes and neighbourhoods into which people thought they were buying.

Senator Mark Dearey: I wish to pick up on some of the themes addressed by Senator Hannigan. I welcome his support and that of his party for this document which establishes baselines. With the problems we encountered associated with the financial crash, the property crash that followed and the legacy of ghost estates, the starting point is the question of how many and where? While the figures associated with the banking crisis are horrendous, perversely there is relief in knowing in order that we can estimate an annual cost. That is useful. In the case of this topic, we are out of the arena of anecdote and into the arena of researched facts and figures for over-lending for the housing market and the over-reliance on construction which accounted for 24% of economic activity at one point. The report does not make for comfortable reading and, as Senator Hannigan pointed out, the cost of remedying the problem and the range of remedies that must be applied on a case by case and county by county basis must be addressed. I hope the report will act as a platform for action. The expert group which will be drawn together gives grounds for some optimism in that regard. The issue is not being examined through the lens of finance or as an effort to redeem bad lending practices engaged in by the banks. It is not being viewed as an opportunity to provide social housing, although I welcome the fact that some properties will ultimately be used to provide such housing. It is being considered as an amalgam of all these aspects. The make-up of the expert group recommends itself to me and I look forward to its findings.

County councils need the findings made. From county managers down, they do not have a clue what to do with the unsightly and dangerous pre-developed sites, unfinished estates, unsold houses and, in some cases, vandalised houses used as a post-Celtic tiger playground by neighbourhood kids. I thought the scenes in “Pure Mule”, the fantastic RTE drama series set in the early days following the bust, were a fantastic visual metaphor for where we found ourselves. The locations around Banagher were brilliantly chosen. Two years before we started talking about it, they visually represented what the boom had left us with. I am conscious of the wonderful libraries, the road network and the public transport infrastructure, but it has also left us with this problem.

The issue of bonds is important when we consider the question of costs and the ways in which the problem must be dealt with. There is anecdotal evidence that bonds were insufficient, that they were rolled over, that they were inaccessible and that the banks are arguing the toss

on whether county councils and town councils should have access to them to remedy the problem of unfinished estates. We need a degree of honesty, not least on the part of the banks, the record of which in recent years in protecting themselves at the cost of the truth has been abysmal. We cannot let this continue. We need frankness in terms of what is available to local authorities. In many cases, they have entered into inadequate arrangements in respect of the size of the bond per house. The resource must be used when the recommendations of the expert group are presented.

I am painfully aware of where this prevails in Dundalk. It does not matter how typical the story is because if one lives in one of these unfinished estates, it is total misery. The lack of a top surface means drains protrude and one must drive around them every time one enters and leaves an estate. An abandoned playground was fenced off and surfaced, but no toys or slides were supplied. This is a poignant reminder of the dream many people were sold and bought into. In the case of one estate which I will not name, the marketing campaign was extremely seductive. The language of fashion was used to sell houses. Like the clothing industry, however, the fashion items were out of date in double-quick time. Now people are regretting the decision and they blame policy and themselves. I do not blame them. People were sold a pup in many cases.

Senator Jerry Buttimer: Well said.

Senator Mark Dearey: The real blame lies with a planning law that was all about driving development. In so many ways it was a developer's charter. There was a lack of adherence to superior planning documentation and national strategic planning documentation. I find it difficult to believe that such legislation found its way onto the Statute Book, that one could have a statutory basis for the national spatial strategy but county development plans did not need to pay attention to it. That meant we had a situation where it was every county for itself. One can see that in particular when one looks at the interface between counties. Perhaps that is not the case in a large county such as Cork but it is true of some of the smaller counties where there was a need to sell off the family silver to provide local authority funding because there was no sustainable way of raising funds at local authority level. If nothing else, the second home tax shows the way forward in that regard. When revenues were needed and zoning could generate such revenue, the strategy of rezoning was adopted. It was tempting to give planning permission and get the levies to allow the local authority to keep going for another year. Where developers were playing local authorities off each other, as happened, the result was an appalling interface of shopping centres and houses along county boundaries that make no sense. They have nothing to do with the nearby town. That is something the future reform of local government must address, namely, the need for a town to be seen as part of a wider district, not as a competing entity with the next county.

I am ranging over a number of areas: local government finance, local government reform, inadequate planning legislation and the reckless way in which money was lent and in which people were encouraged to buy into an ephemeral dream. It all contributes to the need to make real the problem, as the document under discussion has done, and appoint the experts to make the recommendations to guide local authorities in dealing case by case basis with the problems they face. Such problems are acute in my county of Louth. No doubt they are similarly acute in other parts of the country. I commend the Minister of State, Deputy Cuffe, and the Minister of State, Deputy Finneran, in this regard. I wish them well as they begin to address this dreadful legacy which we need to deal with in a foreshortened way.

Senator Jerry Buttimer: I dtús báire, cuirim fáilte roimh an Aire Stáit, an Teachta Ciarán Cuffe. I welcome the publication of the report. The map on the newspaper I am displaying is

[Senator Jerry Buttimer.]

the legacy of the failure of the Fianna Fáil-led Government and of successive Fianna Fáil Governments to plan properly for this country. The Minister of State, Deputy Cuffe, is a Minister in the Government. I appreciate he was not involved when the majority of the failure occurred but he is with it now. The Green Party has hitched its wagon to the Fianna Fáil train.

I welcome the report. This should not be about blame. It is about a call to action. In our constituencies there are estates where people are as appalled as we are at the way in which they have been left. I refer to young couples, married people and single people who invested in the Celtic tiger dream. As Senator Hannigan rightly said, our unfinished estates are the most visible legacy we can see. We have the legacy of the bank bailout. From 7 December we will have the legacy of the pummelling of the people by the Government for bad governance, as Senator Dearey said, across a range of areas.

There is a set of core questions the people of this country and those in Cork South-Central who speak to me about their estates wish to get answered, namely, what, when and how it will be done. That is what we as politicians must try to sort out. Many estates are incomplete, substandard, vacant, unsafe and derelict. I will not name the estates in my constituency. Many of them are on the periphery of the city; some of them are in the city. The people affected are appalled at what has been left behind. We are all aware of the visual impact of unfinished estates. The Minister of State, Deputy Cuffe, is a planner. We must examine the manner in which planning was allowed to run amok. I agree with Senator Dearey that there was no joined-up thinking between the national spatial strategy and county development plans.

We should never have taken away the powers of local councillors to give planning permission. When I was a councillor I took that power seriously. I fought many developers in my area not because I was against developers or speculators but because I did not see logic in some developments, for example, the imposition of high-rise apartments in my area of Bishopstown. We are where we are today. Much of the development was driven by local authorities needing to raise development levies to fund their services. If the Green Party in government does nothing else, it should bring about real reform of local government. Let us devolve power in local authorities so that they can fund themselves and go forward. That might be considered too aspirational. Let us have a discussion at national level on the issue. We could set up a forum such as the New Ireland Forum. People are getting poor provision of service from local authorities not because councils will not do the work but because they cannot do it.

Bad government policy fuelled where we are today. The relationship between the Fianna Fáil Party and some developers was too cosy. Let us not tar all developers with the one brush. We need development such as housing of various types and commercial developments. Let us not put all developers in the same category. Developers responsible for any unfinished estate should not be given planning permission again. They should not be allowed to re-register the company or become part of a new company. We must become tough on people. We are all aware of young and middle aged people who bought into housing estates. As Senator Dearey said, the brochures were like a fashion parade. It was like “Sex and the City”, but that is no longer the case.

Deputy Ciarán Cuffe: Except it was sex in the open countryside.

Senator Jerry Buttimer: Exactly, but with no transport, no amenities and unfinished estates in terms of roads, lighting, sewerage, rat infestation and dangerous and unhygienic housing conditions. We must address the issue in some way. We have an obligation to the people we represent to put in place a model that will allow estates to be finished.

I do not necessarily agree with Senator Doherty's remarks. We need a certain amount of speculation and activity in the building market but we have an obligation to look after those who need to be housed as well. The statistics on homeless people have gone through the roof, as have the numbers seeking social housing. We should look at ways in which we can allow people to live in the houses that have been built. Local authorities have an obligation to do that.

Equally, the Government must be creative in its solutions. Perhaps it is time we considered giving some kind of incentive to recently qualified FÁS apprentices or those who are unemployed to complete unfinished houses. Let us create a co-operative effort along the lines of the Niall Mellon fellowship trust where we can be creative in getting estates completed and give apprentices the opportunity to finish their apprenticeships or tradespeople the chance to work. We could even be creative with social welfare and take people off the live register and give them an opportunity to work. There are difficulties in this regard which we must address.

The Minister of State referred to desktop exercises. I hope this report will not be one of them or that it will not be left to gather dust because we do not have the money to finish it. We need to buy into the process.

The Minister of State remarked that there was an overhang. While there has always been an overhang, it was never of this scale. Look at the figures for the volume of houses and units unfinished. I hope we will have a site-specific plan for each estate. To be parochial, Cork city has 21 ghost estates, while there are 284 in Cork county. We must send a message to the many who did not buy because of greed or they wanted second homes but because they were buying their only home. We can argue about the overzoning of land, but that is not the entire issue. Many acres of zoned land have not been developed. The issue, therefore, is the number of unfinished estates. *The Irish Times* referred to it as being more of a haunted landscape, but I will remind the House of what the Minister for Enterprise, Trade and Innovation, Deputy Batt O'Keeffe, stated in this Chamber in his previous incarnation as Minister of State with responsibility for housing. He stated:

Some prophets of doom will claim, even if the housing market has not crashed, that it will do so in the future. There are no certainties. Economic performance will be the key determinant of the future development of the housing market and circumstances can change.

On 10 April 2008 the Leader stated: "Now is the right time to buy ... I will remind the House, perhaps in 12 or 18 months, when prices have again increased by 25% or 30%." He was some prophet in respect of the housing market. The then Minister of State, Deputy Batt O'Keeffe, was blind and showed a lack of leadership, but he was promoted to the Cabinet. These are the prophets who are leading the country. Senator Brady stated we should not get involved in a blame game, but disguising and hiding the narrative of where we are would be convenient for Fianna Fáil. We must remind the people of the policies that have led us to this point. In some cases, people were greedy, be they developers or individuals who bought second and third homes. My mother, God rest her, had a great saying: "One can only live in one room at a time." I never understood the need to rush to buy property other than my family home. We have been far too lenient when it comes to bonds. Developers were allowed to get away with it long before the crash. We will rise from the malaise and the economy will blossom again, but I hope people will be held to account and take responsibility for what they have done.

I welcome the report. It marks the first step and we have a long way to go. I thank the Minister of State, Deputy Cuffe, for attending the House to discuss it.

Senator Feargal Quinn: I welcome the Minister of State, Deputy Cuffe. As I listened carefully to the Minister of State, Deputy Finneran, I was reminded of how I had applied for planning permission in 1964 — none of the Members present was around at the time — to build a

[Senator Feargal Quinn.]

supermarket in Finglas. We were refused permission because, according to the planners, we had not allocated sufficient car parking spaces. The local Deputy complained in the Lower House and asked what sort of idiots were involved in the planning system, seeing as how they were looking for car parking spaces in Finglas and not what were really needed, namely, pram parking spaces. It shows how things can change, as the planners were right and we were wrong. We reapplied after we had provided for sufficient car parking spaces which we needed badly within ten years.

The obvious criticism of the report is that it only refers to post-April 2007 housing estates where there is a vacancy rate above 10%. Given this, we do not have a full and clear picture of the situation. The Minister of State may argue that certain buildings do not come within the scope of the report and perhaps the report gives the impression that there are fewer vacant homes than is actually the case. Why has it not been made available on-line and will the Minister of State do so? I could not find it on-line.

I understand an expert group is being established by the Government to advise on how best to deal with the problem of ghost estates, on which Senator Buttimer commented. Would it not make more sense to leave it to town councils which are aware of the extent of the problem first hand? This would save money being spent on employing so-called experts. I sometimes have a problem with involving experts when there is already the ability to do something. Senator Buttimer touched on this matter coherently.

The expert advisory group on unfinished housing developments to be established includes a wide variety of relevant representatives. A cynic might say the group includes many of those who played some part in fuelling the overheated property market. Would it make sense to include persons with real business experience or even an economist to examine the problem from a different perspective? I am unsure of the exact objective behind choosing the team.

Could the Seanad be utilised in some way in a debate on the best way to use the vacant properties? This is one such debate. We must allocate some properties to be used as social housing units, but what about other ideas in the context of NAMA? Could apartment blocks be adapted to be used as low-security prisons? Based on the Scandinavian model, this would deal with the problem of overcrowded prisons. Could NAMA buildings be used as outpatient or storage facilities to free accommodation in overcrowded hospitals? There must be other uses to which they could be put, instead of leaving them vacant.

We must decide on whether knocking down developments would make sense. Would it benefit certain parties such as builders? Knocking them would mean house prices would rise and benefit those contractors involved in the demolition business. Would this stimulate the economy in some way or would it be madness to destroy wealth in the form of assets? We have discussed this question today and on a number of other occasions.

We must consider the fact that the ESRI has predicted that the population will increase by 500,000 by 2021. It is believed this will equate to a need for 185,000 additional homes. I hope there will be growth in demand in those 11 years. It also gives us the opportunity to consider the way in which houses were built during the boom. I dare not use the term “thrown up”, although it would be more accurate. Many were not built with professional architectural expertise, are too small and need to be rebuilt because they do not conform to standards. This is not to mention the need to improve environmental and sustainability standards, as the Minister of State knows. Sustainability and environmental standards were not adhered to in recent years.

One of the problems always in the background is that of dispersal in rural areas, which results in increased costs in many areas, for example, postal service, energy and transportation costs, etc. I visited France last month. In some towns and villages the post is no longer delivered

to one's door. Instead post boxes are located at the front of estates and so on. This idea must apply in so many other ways such that the concept of bungalow blight does not make sense. Should we be looking at refusing permission for one-off houses in rural areas if they are not sustainable? I accept this suggestion is not acceptable and that the decision would be a difficult one. If a farmer wants to build a house or his or her child wants to build a house on the farm, it is difficult to understand why an objection from someone living 20, 30, 40 or 100 kms away would be lodged, but there is a logical reason. There are no easy answers to these questions, but I look forward to getting a clear view in respect of so-called ghost estates in the coming months and brainstorming on how we can best address the associated problems.

This debate has been useful and the Seanad is a suitable place in which to hold such a debate. Let us be sure that we use the opportunity to take us further along the road towards a solution to the problem.

Minister of State at the Department of Environment, Heritage and Local Government (Ciarán Cuffe): I enjoyed the debate which I found to be one of the most illuminating of those to which I have been party in the Seanad in recent months. The contributions of Senators Buttimer, Hannigan, Dearey and Quinn really added to the level of discussion we have had on this subject. I was not able to be present for the entire debate but my colleague, the Minister of State, Deputy Michael Finneran, was in the Chamber. I caught some of Senator Doherty's contribution on the monitors and was struck by what may have been an over-emphasis on home ownership. We must be very careful not to over-stress home ownership. I have always held the view people should have a menu of options as to the kind of tenure they have and the type of dwelling they live in. For far too long we almost dictated that one must own a home, offering a menu of three choices: a one-off house, a semi-detached house or a small apartment. We have not given people enough choices. Much of what my colleague, the Minister for the Environment, Heritage and Local Government, Deputy Gormley, has tried to do in the past three years has been to give more choices to people as to the kind of tenure they have of their home and the kind of design it has. The focus on higher density, which has had many critics, has led to a focus on quality of design in new developments and a focus on terraced housing. There has been a greater understanding of the challenge posed by low-density housing which generally gives rise to a great increase in car commuting and traffic. We witnessed that at the peak of the tiger years where, because of our low-density suburbs, one found oneself stuck in a car all the time. We do not want to return to that but must give people more choices.

I am also conscious that for the best part of 20 years, property ownership was the gift that kept on giving. It was a sure bet, an Albanian pyramid scheme. One put money in and took money out. Suddenly, three years ago the whole thing fell apart. It was very difficult for those of us who questioned the wisdom of the pyramid scheme at the time. Some of us did so in terms of the policies we were putting forward and the concerns we had, but it was difficult to get attention in the media, the Oireachtas or the council chamber on such issues.

One thing we have now, however, is some clear figures. In the past there was much confusion, a lack of clarity and many headlines. The great thing about this survey is that the staff of the Department of the Environment, Heritage and Local Government visited every one of the 2,800 developments. I take Senator Quinn's point about criteria: how a definition was made of what constituted an unfinished development and why we drew a line in 2006-2007. In fairness to the officials involved with whom I had this discussion, they took a good definition that gives real clarity on the vast bulk of the problem. I am satisfied with the methodology they used and am satisfied to stand over the figures that came out. If one considers the 2 million residential units in Ireland, there is in any event a fairly high vacancy rate. Clearly, there is high vacancy in holiday homes for the vast bulk of the year and a high vacancy rate in many of the single

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units which were developed over the years. If one goes to a place such as Ventry in County Kerry, one will find more than 50% vacancy in that village. We should be careful not to confuse a second or family holiday home that may be 50 years old with the very real, stark challenge presented by unfinished developments in the past three or four years.

Every estate was visited by our officials and there is a very robust survey in place at this stage. Some 180,000 dwellings were granted planning permission under our methodology, of which only 120,000 started construction. Of those, 77,000 were completed and are occupied. That leaves 33,000 homes which are complete and weathertight but vacant, or almost complete with perhaps a final fix of wiring required. That 33,000 is the total number of the real surplus of houses. It is a large number; let us be clear on that. Another 10,000 units have started construction. These could be anything from a hole in the ground to gable walls or a half-finished roof. Adding 33,000 and 10,000 gives 43,000, which captures the real numbers involved in all of this. I do not wish to belittle the seriousness of the problem but this factual count of vacant new houses and apartments can help to calm some of the concerns about how and when these problems will be dealt with. It gives us a clear framework towards resolving the matter.

At the height of the boom we were building up to 90,000 new homes per year. That figure has come right down and approximately 25,000 new homes were built last year. The figure is probably somewhat lower this year. If one compares that number with the 43,000 units, at peak it was only six months' supply. At this very low level of construction the number is still less than two years' supply, which puts it in context. That is no consolation if one is living in the middle of an unfinished development but it gives clarity to the scale of the problem.

The housing units which are close to major towns and cities will be occupied sooner than other developments. Only last week, in Booterstown in Dún Laoghaire, empty apartments were snapped up at bargain prices, albeit at a massive discount. The units furthest away from where new jobs will be located will be more difficult to sell. The blanket use of tax designations in entire counties was very flawed. I said it at the time and I say it now. It was naive at best to assume property-based tax incentives could lift all boats in economically depressed areas. I wish to put that very firmly on the record.

The publication of this survey is just the beginning of the process. Using this hard evidence we are marshalling the key stakeholders. These are central and local government, the banking and construction sectors, NAMA and members of the professional communities, such as planning, engineering and architecture, who will provide advice and agree on how we may best address these issues, collaboratively and quickly. The Minister of State, Deputy Finneran, and I have established a high level expert group with stakeholder representatives on unfinished housing developments. They will advise us on practical and policy solutions to ensure satisfactory completion or resolution of unfinished housing developments. We will get a report from them soon. It is not a talking shop but is focused on outcomes and actions. We are expediting the formation of that expert group and the first meeting will take place in a matter of weeks.

We have a draft of a best practice guidance manual for managing and resolving the unfinished housing developments but, in fairness to the new group we are setting up, we do not wish to give it the solutions upon which it can deliver. It is very important these experts do what they will with that draft. I heard people suggest that other groups, bodies or professions should be represented. Someone mentioned economists and another spoke of people with a legal background. I am happy to take those views on board and we will see what we can do. The Minister of State, Deputy Finneran, the officials and I have tried to put together a list of the key stakeholders who should complete and sign off on a manual but if that needs to change, so be it.

The focus is on action taking place quickly. The best practice manual will outline guidance on a range of statutory powers local authorities have to resolve urgent matters, for example, public safety, environmental protection, building control and making best use of bonds and securities to cover the costs associated with completion of the unfinished housing developments. The draft manual will also stimulate a discussion that will influence the finalisation of the document into a comprehensive code of practice for developers, financial institutions and local authorities in managing and resolving unfinished housing developments. There is also a focus on site resolution plans in each of the uncompleted developments. This is not to ask what can be done only for us to throw our hands up and run around like headless chickens. It is about coming up with direct and solid advice on what action must be taken immediately on, for example, the health and safety issues in units which are open to the four winds. That must be done first. Indeed they have more powers under the Planning Act 2010 and can take much more action under that legislation. This work will give us the evidence and use it in the most effective manner towards putting solutions in place, in particular for those residents faced with the immediate problems caused by unfinished developments. Thereafter, it is a matter of rebuilding confidence in the wider housing market.

There are all sorts of ideas on offer and more will come in. I have certainly had correspondence as regards what these units might be used for. There is a silver lining amid some of the black cloud. If Enterprise Ireland or the IDA could tell an employer, for instance, that they had 4,500 housing units, with the keys ready to be turned in them, if he or she wished to provide employment in a particular county, would be enormously valuable if it could take place here and now. We are making this information available to the IDA.

The same is true in education. If a third level institution can be told there are 723 units within four miles of its campus if it is interested in developing housing accommodation, what a boon that would be. In almost any of the 15 Departments there are possible bonuses in being able to say there is something that can be done with this. I do not wish to overstate the situation, but at least some of the discussion taking place is pointing towards the fact these housing units are a resource. At a time when we have housing lists, we also have surplus housing units.

We must be careful, however, that we do not just bang these together. Particularly when it comes to housing lists there is a very vulnerable group of clients and we must learn from the mistakes of the past that created sick housing estates in our towns, cities and other areas. We have to be quite careful that we do not simply match those two lists.

I had a great conversation with Fr. Pat Coogan from Respond a few weeks ago. I asked him what he would do if he was given 100 empty houses. He said he would take 20, and convert two into community facilities, because vulnerable housing clients need communal areas, whether for child-minding, teenage activities or whatever. He said he would then sell the other 18 houses at a knock-down price. I thought it quite interesting that he would only take 20 out of 100. That depth of thought is necessary as regards how we engage in this discussion. In other words, we have got to be very careful we do not simply allocate housing units that were not designed for vulnerable people, and try to produce a matched fit. Ultimately, particularly vulnerable home owners want to be close to where there might be possible employment. I am not convinced that much of the overspill is right beside where the jobs are located. Those are my thoughts.

From the Green Party's perspective much of our work in Government has involved reforming the planning system to ensure past mistakes are not repeated. Over the last year we have put in place a refreshed national spatial strategy, new regional planning guidelines and a new planning Act. We have also put measures in place to protect habitats and water supplies. In addition, we have witnessed a halt to decentralisation and a windfall tax on land that is

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rezoned. The recession has given us an unprecedented opportunity to learn from past mistakes and put in place policies that concentrate the right type of development in the right locations.

An 80% windfall tax on up-zoned land forms part of the NAMA legislation and dramatically reduces the incentive for landowners to seek the rezoning of their lands. This is as close as we have been able to get to implementation of the 1973 Kenny report on housing land, without a constitutional referendum.

Joined up planning policies have also been a focus of the reforms. The Minister, Deputy John Gormley, and I have put in place closer links between the national development plan and the national spatial strategy, regional planning guidelines at the inter-county level, and city and county developments and local area plans at a local level. That has meant joined up thinking from top to bottom.

This may not sound ground breaking, but one might scratch one's head sometimes in wonder at how some local area plans reflect national policies. Most of the provisions of the Planning Act 2010 passed into law a couple of weeks ago. The new law puts an onus on councils to review their plans within a two-year period and ensure the plan has an evidence based core strategy. This will lead to a change from the *laissez-faire* plans of the past, which failed to deliver on their stated goals.

Of course, a process of education is also needed to upskill both elected representatives and officials. The Irish Planning Institute ran a well-attended seminar a fortnight ago and the Department of the Environment, Heritage and Local Government has plans for regional information sessions around the country over the months ahead. In the UK, the Royal Town Planning Institute runs a school for councillors back-to-back with its professional conference, and I am hoping to do something similar here.

I had a good meeting with the three representative organisations for local councillors a month or two ago, and we all agree the new legislation is complex. It has very simple goals, but it is complex. I believe councillors would benefit from information seminars on the new legislation. We are already doing this for the various officials, and hopefully we can expand on that.

In conclusion, the Scottish educationalist, Sir Patrick Geddes, summed it up many years ago in three words, "survey, analysis, plan". For far too long we built without connecting these three essential elements. Now is the time to get things right.

Debate adjourned.

Sitting suspended at 3 p.m. and resumed at 4 p.m.

Food Harvest 2020 Report: Statements

Minister for Agriculture, Fisheries and Food (Brendan Smith): I am glad to have the opportunity to discuss the Food Harvest 2020 report in the Seanad. Food Harvest 2020 is an ambitious but realistic strategy for growth in the agrifood sector in the next ten years. It builds on the work of the agri-vision report, the focus and strategies of which the Department and State agencies have implemented very successfully in the three years up to the end of 2009. The effect of these strategies is borne out by the current capacity of the agrifood, forestry and fishing industry to compete on its own strengths on the world market

Before I speak on the key messages of Food Harvest 2020, I would like to spend some time setting out the importance of the sector, its diversity and capacity for further development. We are the largest net exporter of beef in the northern hemisphere and virtually all of these exports

go to higher value EU markets, guided by Bord Bia's beef promotion strategy. We are home to some of the world's best known premium drinks brands. In the dairy sector the development of functional ingredients is a notable feature of the industry. Ireland accounts for 15% of the world market in infant formula production. The fact that this industry is located in Ireland demonstrates international confidence in our food safety systems and the huge investment we have made in food safety and quality. It is no accident that Ireland has dynamic dairy and food ingredients sectors. The food and drinks industry is, increasingly, a knowledge industry. The development of our sophisticated prepared food industry, including seafood, has been assisted by the emphasis in recent years on research, development and innovation. This area was relatively unknown to Irish processors a decade ago, but currently these exports are valued at over €1 billion and the United Kingdom remains our largest market. Through close industry and Bord Bia co-operation, the strategic target of doubling the value of food and drink exports to Asia by 2009 was achieved two years ahead of target.

The transformation this multi-million export industry has undergone in the past decade has been remarkable. In the early 1990s the agrifood sector was largely commodity based and underpinned by market support mechanisms. Today it is market-led and a more consumer focused industry adept at capturing market share for value added produce. The agrifood, forestry and fisheries sector plays a critical part in the economy and is particularly important in fostering rural employment and regional development. I am confident it has a valuable contribution to make to our planned national economic recovery. It remains our main indigenous manufacturing industry, accounting for over 6% of GDP and approximately 7% of national employment. Importantly, its 600 plus food businesses, over 90% of which are small and medium-sized enterprises, have a greater regional spread than other manufacturing industry. These entrepreneurs are critical to maintaining rural employment levels. Overall, the sector has a gross annual turnover of the order of €24 billion. More significant is the fact that the sector is embedded in the economy in that it domestically sources 71% of its raw materials, compared to 41% for total manufacturing industry.

In the past two years the agrifood and fishing sector has faced the same challenges as other industries. It has clearly been affected by the global economic downturn, unfavourable exchange rates and issues around environmental sustainability. However, as its strength lies in its substantive export base, it has the capacity to weather the economic storms better than other industries. This is borne out by the facts that even in 2009 agrifood export volumes only decreased by 3%, far less than other sectors. Recent estimates indicate that the value of farm output in 2010 will increase by over €300 million compared to the figure for last year.

I am very conscious that enormous opportunities have been opening up in EU and global food and drink markets. The agrifood sector has repeatedly shown its capacity to compete in the toughest marketplaces. To a large extent, that is why I used the earlier part of this debate to press home in an emphatic manner the sector's capability and capacity to succeed. My job is to encourage that capacity so as to ensure the sector continues to recover from the temporary downturn in 2009, grow strongly from its current base, become an integral part of the smart economy and be at the forefront of the country's export-led economic recovery. To achieve this, I recognised that a new strategic vision was needed for the changed circumstances in which we found ourselves. Therefore, from around the middle of last year, the Department and a number of State agencies started to prepare the groundwork for development. A detailed analysis of the sector and the challenges it faced was carried out. The result was that by the time I established the 2020 committee in February this year, a comprehensive series of discussion and background papers was already available.

When establishing the committee, I provided it with specific terms of reference, namely:

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Prepare and present a draft strategy for the medium-term development of the agri-food, fisheries and forestry sector for the period to 2020. The strategy will outline the key actions needed to ensure that the sector contributes to the maximum possible extent to our export-led economic recovery and the full development of the smart economy.

I also asked the committee to present its report to me by July. This was a very tight timeframe, but I considered the situation demanded this level of priority. To support the committee in its deliberations, I had ensured it was briefed on the outcome of the detailed analysis mentioned and that it had access to over 80 submissions received in the public consultation process launched early this year. In addition, on my direction, the Harvard Business School had engaged with key industry leaders and small and medium-sized industries to seek a new perspective for the sector. Their forum on Pathways for Growth fed into the work of the 2020 committee and this gave further direction and an external perspective on how to turn our natural advantages into high value exports.

I was very pleased with the report, Food Harvest 2020, which the committee presented to me in July. The report captures the considerable diversity of our agrifood, fishery and forestry sector, underlines its significant position within the economy and sets the scene for realising its potential for the next decade. It is very detailed and contains over 200 recommendations. I use this opportunity to address its main focus. The direction of the report is articulated in the caption, “Smart Green Growth”.

Before I deal with the implementation process, I would like to spend a minute or so clarifying the main points of the new policy document and strategy. The growth targets set by the committee in its report include that by 2020 the sector would increase the value of primary output in the agriculture, fisheries and forestry sector by €1.5 billion — a 33% increase compared with the 2007-2009 average; improve the value added in the sector by €3 billion — a 40% increase compared with 2008; achieve an export target of €12 billion for the sector — a 42% increase compared with the 2007-2009 average; increase milk production by 50% and add 20% to the value of the beef sector. In addition, Food Harvest 2020 states that we can and must improve our cost competitiveness by 20% relative to our competitors and that the industry spend on research and development must also double. These are unquestionably ambitious targets but, as I stated in the Dáil Chamber last week, this sector has real substance, capacity, quality products and a growing market. Based on these attributes and opportunities, I firmly believe we can achieve these targets and am fully committed to my role in realising this vision.

I, and indeed this House, fully recognise that achieving these targets in these difficult times will not be easy and will require a high level of commitment and collaboration from all players in the sector. It is my intention to harness the commitment, ability and positivity which pervades this sector and to ensure we all do what is necessary to achieve these targets. These challenging growth targets will be progressed by our acting smarter and thinking green. Acting smarter is pivotal to our vision. We must demonstrate by our actions how agriculture fits into the Government’s strategy of building a smart economy. It involves using and increasing the take-up of best practice models, being innovative, creating more effective business models and research and development, the latter being the accepted but quite a narrow view of what we mean by acting smart. Examples of smart initiatives would include increased take-up of the BETTER farm programmes, in particular by beef farmers, the dairy efficiency programme, which has been an outstanding success to date, the one goal challenge, the Bord Bia-UCD Fellowship programme, innovation vouchers, the greenfield project, which I hope at an early date to extend to the north and west, lean manufacturing processes and other initiatives to increase competitiveness.

From an industry perspective, smart growth will require stakeholders to update their skills, processes, products, markets and relationships to ensure they can deliver long-term sustainable growth more effectively. This point was also made in the Forfás report on future skills requirements in the food and drinks sector. While the Government has consistently supported the growth and development of the agrifood and fisheries sectors and will continue to facilitate business expansion, sustainable growth and job creation will result fundamentally from the efforts of industry stakeholders. The Food Harvest 2020 committee, which was primarily industry-led, recognised the need for more effective business models. The report emphasised that consolidation and rationalisation of processing capacity was critical to maintaining competitiveness and future viability. Industry leaders recognised that reconfiguration of the primary processing sector was urgent and must take place within a relatively short timeframe.

Ireland and Irish food has always been associated with green, natural and sustainable production. This gives us a natural head start at a time when these so-called green qualities are increasingly demanded by society and consumers. We should be under no illusion that a green image is easily developed or sustained; far from it. A major task will involve a proactive and credible demonstration of our green credentials. Teagasc, the Environmental Protection Agency, EPA, my Department, Bord Bia and the third level institutes will play a significant role in developing and promoting environmentally friendly farming practices and also in establishing the scientific foundation for the green claims on which we hope to base our food production.

We already have an established green image and farm to environmental standards that go beyond the basic requirements of good farming practice. Bord Bia already employs the theme “Ireland the Food Island” for its marketing campaigns and there are good grounds for building on this image to differentiate, market and obtain a premium price for our food produce. Members may have read recent commentary in the national media in regard to the Bord Bia quality assurance scheme in the beef area and the sustainability and environmental aspects in that regard. Another proposal of note, also mentioned by the Harvard Business School was the creation of an umbrella brand for Irish food and drink. I would definitely like to see this idea developed further. A national brand, soundly based, would be another useful tool to differentiate Irish product from its competitors. It also has obvious links to food tourism and the wider tourism strategy.

I am committed to leading and driving the implementation of this report. I am focused on implementation, activation and achievement of results. Action plans, reports and so on are important but for this project these are secondary to decision taking and undertaking measures which will lead directly to results. I established and chaired the first meeting of the high level implementation committee. This group, involving the chief executive officers of Teagasc, Bord Bia, Bord Iascaigh Mhara, BIM, the EPA and Enterprise Ireland, and senior officials from my Department and the Department of Finance will primarily direct and take whatever action is needed to implement Food Harvest 2020 successfully. It will also act as a clearing house for the wide range of issues that will arise in the development of the sector.

At the inaugural meeting of the committee on 16 September, I emphasised to the members that the key function of the committee was to direct and take whatever action was necessary to implement Food Harvest 2020 successfully. At that meeting we agreed on the processes which will best realise the sector’s full potential advance. We agreed that among the areas requiring immediate action are: the development of the dairy sector; ensuring a credible sustainable agenda, including brand Ireland; improving competitiveness and promoting effective business models; prioritising and advancing innovation, research and entrepreneurship; and profitability of the beef sector. Subsequent to that meeting each of the chief executive officers took responsibility for progressing certain actions and identified who would assume the lead

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role for the cross-cutting issues requiring collaboration. This will facilitate the high level implementation committee to monitor progress on implementation.

The most ambitious aspect of Food Harvest 2020 relates to the dairy sector, involving a 50% output expansion and major rationalisation. The abolition of milk quotas at the end of March 2015 provides us with the opportunity for a step change in scale which must go hand in hand with structural change. When speaking about the potential of the dairy industry to grow, we must bear in mind that in the years leading up to when milk quotas were introduced in 1984, our dairy industry was growing at a rate of 8% per annum. Surely now, with a much more sophisticated industry, we can grow strongly each year.

There were extensive discussions at last month's high level implementation committee meeting on the necessary steps to advance the dairy sector. It was agreed that integrated and collaborative decisions and actions were needed on production trends, product mix and processing capacity.

To ensure the current opportunities are fully realised, I have established the dairy expansion activation group and given it a very specific remit and timetable for action. By the end of November, this small group of farmers, processors and Teagasc will submit an initial roadmap to the high level committee highlighting the key milestones from the production and processing perspectives, identifying obstacles to implementation and how these should be overcome. We have also issued a call for research proposals as a follow-on from Food Harvest 2020

The next meeting of the high level committee is scheduled for 10 November and will progress issues relating to the beef sector, brand Ireland, the sustainability agenda and competitiveness and employment impact. There is a renewed interest in our sector among the wider society and a growing recognition of the role it can play in our economic recovery. This is an important and welcome change but it also poses a challenge for us to deliver on these expectations. It is a challenge the sector is fully capable of meeting and one that I and my colleagues in Government are determined will be achieved. I fully commit myself to lead that effort.

Senator Paul Bradford: I welcome the Minister for Agriculture, Fisheries and Food, Deputy Brendan Smith, to the House and thank him for his presentation. This is an appropriate day to have this discussion given earlier comment in this House on the need for an economic and growth stimulus plan for the economy. Agriculture can be part of our approach towards growth and stimulating the economy. Many of us attended the pre-budget briefing earlier today by the largest farming organisation, the IFA, at which it outlined its deep concerns in advance of the budget. It is interesting that we are having this debate having taken on board comments made by colleagues in the House today and the concerns of the IFA about the future of Irish agriculture and the way it can grow and survive.

We can safely make the statement now that farming and food production is back in fashion. During the boom years of the so-called Celtic tiger, when there was a job at almost every crossroads for every rural boy and girl if they so wished, we lost some of the focus on our primary natural industry, farming and food production, which had sustained us through generations.

It is often said that we should always take advantage of a recession and because of the recession here and the international depression, we are recognising once again that our biggest exporting industry, namely, agriculture, is a key not just to the recovery of this country but to its development into the future. This plan is welcome and useful and we must ensure it is not a plan that will end up adding to those on the shelves in Leinster House.

In that regard, it is important the maximum support be given to the implementation committee the Minister has put in place. I congratulate him on putting in place that committee because we have had a plethora of excellent reports across various Departments full of good ideas and suggestions but which remain on the shelf and are not implemented. It is vital this plan is implemented to the maximum possible degree.

I look forward to the Minister's regular updates on the work of the implementation committee because we must move the plan from the pages before us to the farms and the farmland of rural Ireland and ensure it works. It is ambitious and difficult but it is doable. We are setting high targets and laudable goals but they can be achieved. The Minister mentioned the introduction of the milk quota regime in 1984. I recall that causing some difficulty in rural Ireland at the time because of the growth in the dairy industry in the preceding years but if we can achieve that type of growth again, we will be in a position to double milk output, and we all know what a huge advantage that will be for the industry.

In terms of the Minister's other major targets, the big target is to increase the primary output of agriculture, fisheries and forestry by €1.5 billion and then improve value added in the sector by €3 billion, which will be a 40% increase on 2008. They are targets to which we all must commit ourselves politically and work with the appropriate sectors to ensure they are achieved.

Regardless of my strong support for the Minister's endeavours in this regard and his commitment to turn the pages of the report into reality, we must also recognise that, as we speak, there are deep concerns in Irish agriculture, notwithstanding the reasonable income increases in the past 12 months arising from more favourable weather and market conditions, etc. There are many challenges facing Irish farming families which need to be addressed, especially in regard to the forthcoming budget about which I am aware the Minister will be in deep discussions with his colleague at the Department of Finance.

We heard earlier about the IFA's concerns on the taxation front in particular. For the 2020 plan to be in place we need a firm foundation of farming families, with the maximum numbers possible retained on the land. That is the reason in the forthcoming budget, by its inclusions and exclusions, we have the opportunity to demonstrate once again our support for and valuing of Irish agriculture. I am aware the Minister has met the farming organisations on numerous occasions and is aware of their short-term concerns in advance of the budget, including taxation concerns about property tax, required changes to the carbon taxation regime, stock relief, agriculture relief for farm transfers, etc. I ask the Minister to try to ensure the Minister for Finance looks favourably on those requests.

We can safely say that the moneys which have been invested in the farming schemes in recent years have created jobs. When we look at agriculture as part of the broader economy and the job losses across all sectors and compare those losses with the almost full maintenance of agriculture production and output and jobs in agriculture, it indicates that it is an industry that is working well but which needs our continued support and that of the Government if we are to put this 2020 plan in place.

I wish to raise some individual items of concern. The Minister must demonstrate his Department's commitment and that of the Government to farmers, and young farmers in particular. The change in the REP scheme has had a rather dramatic income effect on a significant number of people. The installation aid grant scheme, the early retirement scheme and the disadvantaged areas scheme ploughed money into rural pockets and that money was spent locally to produce economic and agricultural activity and sustain jobs. We must try to revisit those schemes at the earliest possible date when some degree of funding allows the Minister to do so.

[Senator Paul Bradford.]

We are also concerned in Fine Gael, and I am sure we are not alone in our concern about this issue, about the question of retailer dominance, with the farmer being the victim of the supermarket sector in this regard. It is something the Minister must examine.

On the question of forestry, an area we have discussed in greater depth in this House on occasions, it is disappointing that the targets we have set nationally for forestry are not being reached. From an agricultural, environmental, income generation and future pension perspective, forestry is a win-win area and needs further support and commitment. We appeared to have been making a steady graph of progress but that has levelled off and may even have reduced. The Minister might reflect on that when we have the question and answer session at the end of his contribution.

We continue, rightly, to bemoan the fact that since 1973 the fisheries sector has not benefited from European Union policies. I presume further negotiations will take place in advance of January. It is in December-January that the fishing negotiations take place and in so far as we can try to make changes and amendments, we must do so because jobs can be generated in this sector stemming from our natural environment.

I welcome the report and the setting up of the implementation committee. It is important we ensure this plan is implemented.

Senator John Carty: I welcome the Minister, Deputy Brendan Smith, to the Seanad to discuss the Food Harvest 2020 report. I compliment him on a fine contribution in which he outlined his plans for the coming years and to have the committee up and running in a positive fashion.

Food Harvest 2020 is a vision for Ireland's most important indigenous industry. This sector has an annual output of more than €24 billion and employs more than 150,000 people. We export goods worth up to €8 billion to 160 countries every year. At the launch of the Food Harvest 2020 report the Taoiseach stated that Ireland's future economic growth will be driven by the export of goods and services stimulating activity and employment throughout the rest of the economy.

The agrifood sector is part of the expert-led recovery which the Government is pursuing. This is an area in which we have huge expertise, built assiduously over the years, and our export markets have proven that. Our farmer producers have always risen to the occasion in producing quality goods that can take their place in any market, whether it be dairy, beef, pigmeat, poultry or the drinks section of the industry.

This report shows the agrifood sector can produce real returns and grow by one third to €12 billion annually while increasing the value of primary production by our farmers and fishermen by €1.5 billion and value added in the processing by €3 billion.

These targets are ambitious and challenging, but they are achievable. I have no doubt that if the proper resources are put in the sector's way, it will rise to the occasion. Farmers are the most innovative of people; they have always been there and always will be. However, they must receive a fair price for their produce. The report identifies ambitious targets: 20% growth in output value in the sheep sector; 50% growth in output value in the pigmeat sector; an increase in revenue to €1 billion and employment to 14,000 full-time jobs in sea fisheries and aquaculture, with a 78% increase in production in aquaculture; a potential increase of 10% in the value of poultry output; and potential for development in horticulture, with opportunities to replace imported products with homegrown, seasonal produce. We can increase our organic production and there are significant export opportunities, especially to the UK market.

I recently learned that there was a guaranteed food supply of only 26 days in Europe, which is worrying. Whether Europe likes it, it will need to put more money aside to help the sector. Instead of talking about cuts in aid, this is the time to consolidate it and ensure food security which will be vital in Europe in the next couple of years. The figure of a guaranteed supply for 26 days is alarming. We all know that the world's population is growing. In 1999 it passed 6 billion. In 2012 it will reach 7 billion and in 2025 there will be 8 billion. The world's population is growing and will have to be fed. Therefore, it is short-sighted even to talk about cutting farm subsidies; they must be maintained at least at their current level. An increase of 0.5% in taxes across Europe would make up that figure and ensure that in a few years' time, when there is a food shortage, we would not need a shotgun effort to rectify the situation. As the old saying goes, there is no point in locking the stable door after the horse has bolted.

During the years this country has invested large amounts of money in agriculture, fishing and food research which has allowed Irish producers and food companies to build wide-ranging expertise, particularly in the key dairy and beef sectors. We export 85% of our dairy production and 90% of our beef production. The Food Harvest 2020 report provides a roadmap to guide the agrifood sector which is so important to the economy and inform its development by setting out a vision for smart green growth. The green element is important and Ireland has developed it through its policies. Our clean, green grass is a natural ingredient in the production of food. It is next to organic. We must be seen to produce food of high quality that is free of additives. This will become more important and it is good that we are in a position to be on top of this wave.

I was impressed by the figure given by the Minister that around 15% of infant formula for the world market is produced here in Ireland. The fact that so much of this business is located in Ireland demonstrates that we have been doing the right thing for many years and we are now seeing the benefits. That is something we must keep doing.

We must be smart in targeting consumers in the international marketplace and ensure we will be there to supply their needs. The Food Harvest 2020 committee, under the chairmanship of the Minister, will ensure ideas, investment and knowledge will allow us to become one of the top producers of good quality food and fish products and that our primary producers, that is, fishermen and farmers, will be the principal ones to benefit. We must preserve the family farm, not encourage factory farms. The fact that the Minister is driving progress through the committee shows that we are on the right road. I congratulate him and the agriculture and fisheries sector on this.

Forestry has been mentioned. I know more could possibly be done in this area. Because of our history, we have a psychological aversion to sowing trees on land. We will need to get over this, whether through education or otherwise. Long ago growing trees was seen as the preserve of the wealthy farmer, but that is no longer the case. In particular, we do not have nearly enough hardwoods. The farming community has an aversion to putting good land under trees and I do not know how we will get around this. However, some policy should be put in place.

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

An Cathaoirleach: Is that agreed? Agreed.

Senator Feargal Quinn: I was delighted to hear what the Minister was doing. Food Harvest 2020 is an admirable project. I had the pleasure of being a member of the expert group which established Bord Bia back in 1994, on which I look back as a great success. On that occasion I presented a minority report, although it was only half a page long, stating this new food business

[Senator Feargal Quinn.]

— it was not yet called Bord Bia — should be established anywhere but in the then Department of Agriculture, Food and Forestry. When food and agriculture are dealt with together, food will always take second place owing to the strength of the agriculture community. I still have that belief, but I am delighted to see what the Minister has done, on which I congratulate him.

I have a great belief that if a country is to be successful in any business, it must be first or second in whatever it is doing. We are not doing well enough in this regard. Ireland is the 24th largest milk producer in the world and the 17th largest beef producer. This is a real challenge. I am a bore in speaking about New Zealand, but I recently met a man from Fonterra, the world's largest dairy exporter. New Zealand is the same size as Ireland, with a population even smaller than ours, yet this New Zealand company is now building dairy farms in China to provide special products, mainly dairy products, for the Chinese market. New Zealand lamb is recognised around the world. How can New Zealand do this when we have not been able to do it yet? We must find a way to do it. I think we can, which is why I encourage research, innovation and whatever else we need. I am impressed by the fact that Nestlé which is based in Switzerland has 5,000 research and development scientists working on new products in the food business.

We must reconsider the issue of genetically modified foods. The world population is to increase by 2.3 billion by 2050 and we do not produce enough food to cope with that increase. The United Nations Food and Agriculture Organization states we need a 70% increase in food production and we will not be able to do this unless we use modern methods. We will be out of date and behind the scenes if we do not. We must improve crop productivity, whatever way we do it, and I do not think we will achieve this if we do not move with the times.

One of my heroes in life is Norman Borlaug who received the Nobel Prize. He has been called the father of the green revolution and is credited with saving India from famine in the 1960s when the level of wheat production jumped from 12.3 million tonnes in 1966 to 20 million tonnes in 1970. He stated at the time:

Biotechnology helps farmers produce higher yields on less land. This is a very environmentally favourable benefit. For example, the world's grain output in 1950 was 692 million tons. Forty years or so later, the world's farmers used about the same amount of acreage but they harvested 1.9 billion tons — a 170% increase! We would have needed an additional 1.8 billion hectares of land, instead of the 600 million used, had the global cereal harvest of 1950 prevailed in 1999 using the same conventional farming methods. If we had continued practising conventional farming, we would have cut down millions of acres of forest, thereby destroying wildlife habitat, in order to increase cropland to produce enough food for an escalating population.

We have it in our own hands, but we must recognise that research, technology and genetically modified products represent the way of the future. Those of us who say we do not like this will not succeed. It is like those who said more than 100 years ago they would not use any technology but would continue to produce in the same way as in the past. That is not the way of the future. I strongly encourage the Minister not to close his eyes on the opportunities available. I congratulate him on what he is doing, but let us make sure we continue to grow by placing food ahead of agricultural production.

Senator Rónán Mullen: Cuirim fáilte roimh an Aire. In concert with Senator Quinn, I congratulate the Minister and wish him well with the excellent work under way with Food Harvest 2020. The Seanad spends considerable time discussing the challenges facing the economy and the hard choices we need to make. We pin all our hopes on the key issue of achieving growth.

Everything will change for the better if we can secure the necessary growth in the economy in coming years as we try to bridge the €15 billion gap. The agrifood sector is one on which we can pin our hopes for growth.

Students of history will remember hearing how the Spanish Armada had been defeated by the smaller and more responsive British boats. That could be a metaphor for the economy. If, in relying on our natural genius, we are responsive to the demands of the market and the challenges we are facing, particularly in the sphere of agriculture and food, we have the capacity to secure victory in terms of growth because we have tremendous resources on which we can rely. We should see the agrifood sector as the key driver of employment and economic activity. The Minister put his finger on it when he talked about the cost of inputs. There are approximately 230,000 jobs in the agrifood sector which represent one eighth of total employment, with more than half of the number being in farming. When one considers that each job in manufacturing supports four additional jobs in the economy, one realises just how important the agrifood sector is.

The embedded economy value of the figure of €27 billion in gross added value in the food and drink industry in 2007 was €22 billion. In the pharmaceutical industry the embedded economy value was €10 billion out of €36 billion, while for ICT it was €7 billion out of €28 billion. Activity in the agrifood sector must also be seen for its spin-off benefits. However, without competitiveness in labour, waste management and energy costs, the impact will be that much worse as a result, which means that even with the advantage there is a potential disadvantage. We could sum up what we need to do by saying we need to export more and that our products need to cost less. We need to play to our strengths as outlined by the Minister, including, classically, our reputation as a clean green country that can produce food using methods that are sustainable and environmentally friendly. We also need to address the ongoing challenges posed by increased production. The Food Harvest 2020 report makes it clear that food safety regulation will be vital because it is essential to continuing to develop our reputation, but that must be smart.

While admiring and supporting what the Department of Agriculture, Fisheries and Food wants to achieve, it has been put that it can be too conservative and that inspection and penalties seem to be the priority. There may be a need for the Department to be more responsive in order to reinvent the situation.

Regarding education and the work of Teagasc, the agency suffered a cut of €10 million in the last budget. Does the Minister foresee a change in that approach in order that the necessary education can be provided?

Senator Niall Ó Brolcháin: I welcome the Minister and commend him on his use of the word “green” which appeared throughout his speech. The Government has become used to using the words “smart”, “green” and “growth”. I very much welcome the Food Harvest 2020 report, the latest of the ten-year strategies the Government has introduced. It is a good strategy and there was great academic back-up from Harvard University. The figures in the report are very ambitious and it is important for the Oireachtas to investigate growth strategies to show the way out of the difficult economic times in which we find ourselves. The Minister has indicated that there could potentially be a €300 million increase in food exports, which is to be welcomed.

I worked in the dairy sector for many years. We have some very bright individuals and we must make use of them. Senator Mullen referred to the 230,000 people working in the agrifood sector. It might depend on how one works it out — the figure included in the report is 150,000.

Deputy Brendan Smith: The 150,000 figure relates to direct employment, with further jobs downstream. The figure of 230,000 probably does not encompass the level of employment in the entire industry.

Senator Niall Ó Brolcháin: The strategy addresses the €3 billion increase in added value. Branding in the food sector is very important. I would not share Senator Quinn's food on GM foods. We have a unique selling point in Ireland in being a green, clean, food producing island. There is a major marketing factor in having grass-based, organic agricultural production which gives us something unique to sell. We should not undersell this, given that the market for it is increasing enormously. It is a high value, high quality market and we should not lightly give up our GM-free status. We need to be careful because it is a great selling point.

The resilience of Irish food products is important and other speakers spoke about food security. I believe it takes approximately ten calories of oil to produce one calorie of food. Oil is used at almost every level of the agriculture sector, including transportation and fertilisers, which cannot be sustained. Senator Quinn spoke about modern food production methods, but there are many modern food production methods and many innovations. It will be very difficult to continue to import oil-based fertilisers and other oil-based materials because of the peak oil problems we can clearly foresee ahead of us.

Given the report's overall vision, we will have a considerably larger food export sector, with more jobs, by 2020, which is achievable. In this regard, I would like to see greater development of the artisan food sector. The slow food movement, as employed in Ireland and Italy, is excellent. There is much to be said for products such as Clonakilty black pudding, but in Italy the number of high quality artisan food brands is extraordinary compared to the level here. There is a huge possibility of increasing this in Ireland, as we have many positive brands such as Cashel Blue and Dubliner cheese and the well known Kerrygold butter and Baileys Irish cream. This country has some great brands, but there is also huge potential for artisan brands.

Many Members have referred to forestry. Our strategy to increase the figure from 11% to 17% by 2030 is good. The great thing about forestry is that it provides sustainable employment in all parts of the country. It is a very good strategy, although we are not making the progress required. It is something that should be cranked up.

We must examine fisheries carefully from a conservation point of view, as well as from many others. When we signed the Common Fisheries Policy, we gave away a huge amount of our fisheries. Hundreds of billions of euro worth of fish has been taken from Irish waters but not by Irish fishermen. We must deal with conservation and if schemes such as the rural environment protection scheme and many of the European support grants in agriculture are being reduced, we should see if we could get some increase in the fisheries sector. The reality is that if one plays one off against the other, it should go both ways. We must look at all angles to improve the income and quality of the country in terms of its image abroad with regard to this sector. Smart green growth is required

I welcome the strategy outlined in Food Harvest 2020. Let us move forward with it.

Senator John Paul Phelan: I will start on a note of agreement with Senator Ó Brolcháin. He made correct points about the potential in Ireland for food tourism and developing our unique brands. He mentioned Italy as a good example. There has been an underground movement in the past few years to try to promote Ireland as a food destination, which does not appear to have received much support from the Department. Perhaps the Minister will enlighten me as to what efforts have been made in that regard. A great deal can be done in that area.

Last weekend the Savour Kilkenny 2010 food festival was held in County Kilkenny and was hugely successful. However, to refer back to the debate we held last week on the funding of small business, the festival was obliged to charge an entry fee because it could not get a credit facility from financial institutions and its funding under the Leader programme will not be made available until January. The festival was very well attended and most worthwhile. It is

the type of event that should be held throughout the country because small producers who are producing unique Irish products would greatly benefit from it. These events also have real potential to attract tourists and do something economically for the country.

I disagree to an extent with Senator Ó Brolcháin's remarks about smart green growth. They are nice words, but they have become meaningless in the past few years. They do not mean anything to people anymore because they do not see any evidence of them having an effect. They are good words, but they have become empty and hollow. The Government uses them a great deal but does not follow-up on them. We should not throw around such words.

Today Members of the Oireachtas were invited to speak to the Irish Farmers Association, the representatives of which produced some serious statistics for the level of employment in agriculture. I agree with the Food Harvest 2020 report, but there are serious road blocks to implementing it. The first is the sheer age structure in agriculture. A couple of years ago the Government suspended the installation aid grant for new farmers and the early retirement scheme. Only 7% of farmers are under the age of 35 years. How many will be dead by 2020 and will they be replaced?

The early retirement scheme, co-funded by the European Union, was an effort to have land transferred to younger farmers in the community. Many children of farmers have lost their jobs and are interested in becoming involved in agriculture, but a farm cannot support two families, both them and their parents. At least, with the early retirement scheme there was €13,000 or €14,000 available to the farmer and his or her spouse as an income for a number of years and a new family could become involved in the farming enterprise. The report will mean nothing unless we can get such people involved in agriculture. They are not becoming involved, although there are more people interested in agriculture because they do not have job opportunities in other areas. The Government must do something to resurrect the farm retirement scheme in some shape or form.

One in five jobs outside Dublin is in agriculture, either directly or indirectly through related services. I am not a farmer, but I come from a farming background. Farmers tend to spend the money they earn in their local communities. The money is not saved but reinvested in the farm. Farmers will build sheds to comply with EU directives, as they must, or they might buy a few acres of ground if it happens to come on the market. They spend money in the local shop and local creamery. The money is not part of the €100 billion saved in the economy but is circulated in the rural community.

Senator Michael McCarthy: Hear, hear.

Senator John Paul Phelan: We must protect this money in rural areas, but I am not satisfied the Government is doing enough in that regard.

As I said, approximately 20% of jobs outside Dublin are in the agriculture sector, yet agriculture accounts for less than 1% of the overall Government budget. Two years ago, when we had two or three budgets in one year, the agriculture budget was slashed through the suspension of the early retirement scheme and so forth. Agriculture has taken a disproportionately hard hit in the past few years. If the Minister is serious about Food Harvest 2020 and the good policies it contains, it cannot happen for free. However, any investment the Government makes will be more than returned in the rural community and throughout the island. I realise there will be cuts in agriculture when the Government is considering savings, but many of them can come through cuts in administration. The Government should protect, as much as possible, the incomes of farmers which have suffered in the past few years and ensure Food Harvest 2020 becomes a reality.

Senator Paschal Mooney: Cuirim fáilte roimh an Aire and I wish him continued success within the Department of Agriculture, Fisheries and Food.

As I only have a short time, I will cut to the chase. All sides of the House and the farming organisations have welcomed the thrust of the report. We are entering what I hope will be an exciting and challenging time for the agri-food industry in the next decade. Obviously, there are huge challenges facing both the Government and the farming organisations.

5 o'clock A number of issues have arisen, particularly in the context of the conference held last week by the Irish Co-operative Organisation Society, ICOS. Questions were raised by some speakers at the conference which the Minister might be able to clarify. The chief executive of the Irish Dairy Board, IDB, Mr. Kevin Lane said it was nonsense that the organisation represented just 60% of the dairy industry. He went on to say the IDB accepted that it would have to, as he put it, walk the walk and prove that it could give the best return for dairy processors and farmers in terms of price.

Why are the other 40% of processors not involved with the IDB, given that the thrust of the Food Harvest 2020 report and mainstream agricultural policy is to try to market brand Ireland in a more cohesive, co-ordinated fashion? While the Stock Exchange is not the best example of logic and common sense, the only two shares consistently going up in value on the Irish Stock Exchange are the two food company shares, Glanbia and Kerry Group. The challenge facing the world in the next decade will not just be climate change but food security. Ireland, with its grassland production system and wonderful brand, is ideally poised to take advantage of this.

Why is it that only 60% of the dairy industry is under the umbrella of the Irish Dairy Board? A leading Dutch co-operative adviser and researcher, Dr. Onno van Bekkum, told the recent Irish Co-Operative Organisation Society, ICOS, conference that several recent developments in the Irish co-operative scene had intrigued him. Among these was the proposal to demerge Glanbia plc and Glanbia co-op. He asked why would Glanbia want to get rid of its US dairy business. He was quoted, "If you retreat onto your island, I do not think that would be a good decision". He pointed to the example of Arla and Friesland Campina and that the future for successful co-operatives was in the world.

Glanbia supplier and IFA dairy committee chairman, Kevin Kiersey, on the other hand explained the demerger proposal was motivated by a desire to take greater control and develop the co-operative's Irish business. Is this the right decision for Glanbia?

Another topic at the ICOS conference was the cost of required expansion in milk processing capacity. Farmers claim disproportionate costs could be imposed on producers. I welcome the increase in the price of milk from 20 cent to 32 cent per litre. It was criminal that those purchasing milk at 20 cent per litre were then selling it on with large mark-ups at the expense of producers.

The Irish dairy industry has the capacity to expand and take advantage of the ending of quotas in 2015. However, who will pay for what seem to be extraordinarily high investment costs to upgrade milk processing? The IFA president, John Bryan, recently said the 30 cent per litre cost was massively excessive. Based on recent investments carried out in the north east, he said the processing and other off-farm investment required should not exceed a quarter of that figure.

I congratulate the Minister for Agriculture, Fisheries and Food on issuing a strong statement today on what he described as ill-informed and inaccurate comments about late payments to farmers. He said farmers can be assured that single payments and the disadvantaged area payments will continue between now and next year. Much of the misinformation about these payments in the press needs to be challenged. One claim was that 10,000 farmers have yet to

provide details of stocking density. The figures printed in yesterday's farming supplement to the *Irish Independent* were quite distorted using combined figures from 2009 and 2010 to include both the disadvantaged area payments and the single farm payments and arriving at a non-payment figure of €175 million when the figure is actually nearer €60 million for disadvantaged area payments.

The UK and Germany, among others, make no advance payments. Between March and June most other member states will still not have completed pay-outs but Ireland will have all its payments made by February. Ireland is only six to eight weeks behind in ensuring the new EU regulations relating to digitised mapping are strictly adhered to. The Northern Ireland agriculture Department will be fined €100 million, which amounts to one third of the disadvantaged area scheme budget, for overpayments due to poor mapping. If this were applied to this part of the island, it would mean a fine of €500 million. The Department of Agriculture, Fisheries and Food is to be complimented for rolling out the map digitisation programme successfully in this difficult year.

Senator Michael McCarthy: I welcome the Minister of State, Deputy Connick, for this debate on the important report, Food Harvest 2020. Unless action backed by serious political conviction is taken on its recommendations, it will remain on the shelf like all those reports on Seanad reform.

The single largest scourge in our society during these difficult economic times is unemployment. We have debated the issue at length in the House with many good suggestions on tackling it. I have consistently raised the employment creation opportunities in the marine sector which comes under the Minister of State's remit. Providing incentives at policy level is a revenue-neutral way of creating sustainable jobs in the rural economy. For every one person employed in the fishing industry, it in turn results in 1.5 more jobs in the community. The fishing industry sustained our coastal communities and country in the past. It can be used again to create sustainable jobs.

At this afternoon's meeting with the IFA at the Davenport Hotel, the serious issues facing the agriculture sector were spelled out. With strong political action, the concerns of those in the sector can be allayed and it can be allowed to reach its maximum potential.

The food harvest report states Ireland can become synonymous with sustainable and welfare friendly products giving higher value to consumers. The Bord Iascaigh Mhara facility in Clonakilty has a seafood development section. By providing technological resources and scientific advice to fishermen and the fish processing industry, Ireland can produce an excellent high end value fish product. We have seen how creating a top brand can assist in developing international exports like what Nokia did for Finland and Abba for Sweden. Ireland can do the same delivering a top-class seafood product brand which will provide sustainable jobs in rural and coastal communities.

By 2025 the world's population will have reached a staggering 8 billion with food becoming an even more important commodity. Ireland has the natural resources and expertise in agrifood and aquaculture to step up to the mark to become a leading international food provider.

The food harvest report foresees Irish companies increasingly recognising that sharing resources through strategic initiatives will be central to knowledge generation, pursuing consumer and market trends and making the best use of human capital. Consolidation, collaboration and competition, the three Cs, will be central to this approach. Liquidity and access to suitable credit lines will be absolutely important for sustaining agrifood industries. The banking system in the country at present would have been unimaginable some years ago. The banks are receiving massive bailouts and State supports. However, at local level no one, including

[Senator Michael McCarthy.]

small and medium enterprises and small, family run businesses, is getting the essential ingredient to stay alive in business, that is, access to credit. I have stated in the House time and again in the context of the current budgetary discussions that if we leave the banking sector to its own devices it will never do anything that is not legally required of it. Given the amount of help received and the extent to which the country has bailed out banks and propped up the banking sector, not least in the case of Anglo Irish Bank, which will be a millstone around the necks of people for generations, the least we should expect is some *quid pro quo*.

Lines of credit should be opened to small and medium sized businesses. The days of attracting vast jobs to rural areas are long gone. Let us consider family run enterprises. I am lucky to be from west Cork. I recall being in London some years ago. Let us consider Carberry milk products. I remember visiting a store near Harlesden, London and seeing Dubliner Irish Cheese and Clonakilty Irish Yogurt in the dairy cabinet. These products were produced by the Carberry milk products plant in Balineen, seven miles from where I live. Clonakilty Irish Yoghurt, a strong brand, is produced 14 miles from where I live. Nevertheless, many years ago in London a store sold these products because we had the expertise in food science and the entrepreneurs, who drove those products. These people set very high standards, created jobs and contributed to the economy all along the line, not least in terms of exports, one of the few beacons for the country at present. Our exports are in good shape. We should be proud of this and expand on it. Like little acorns, we must start from something small and begin to provide credit to businesses which need access to markets and finance to stay in business.

The Irish agri-food and fisheries industries' continued ability to compete on the home and export markets is critical to their viability up to 2020 and beyond. Issues arise related to costs and professional fees which must be examined as well. We should examine what inhibits the growth of business at present. Many businesses have gone to the wall. The organisations representing the relevant people and public representatives are fully aware of the issues, which have been communicated to us from people involved at the coalface. We must turn that knowledge into a metal that informs our thinking and how we proceed.

An Leas-Chathaoirleach: Senator, you have one minute remaining.

Senator Michael McCarthy: Other issues arise with regard to environmental sustainability. The green image will give us an advantage in marketing and it will help us to trade internationally. The issue of climate change is relevant. There should be co-operation with other authorities, such as universities and other third level institutions, which provide training and knowledge for people such that they can train generations of people in the various strains of industry that will impact on this area in the coming years.

We must be careful not to lose these people as we did in the 1950s, 1960s, 1970s and 1980s to the blight of emigration. If we do, there will be a brain drain and we will not benefit from the experience and knowledge these people built up through their studies and short working lives, which has been the case in the recent examples. The jobs are simply no longer there. If we lose that expertise to other countries we will be at a significant disadvantage.

I refer to an article in this morning's *Irish Examiner* by Conor Power concerning the issue of resources for job creation. I realise this is separate to the Food Harvest 2020 report but there is an intrinsic link between this report and the matter under discussion because all of this relates to job sustainability, job protection and, critically, job creation.

An Leas-Chathaoirleach: Will the Senator conclude?

Senator Michael McCarthy: If we immerse ourselves in cutting and reducing public sector spending and a banking policy, we ignore the elephant in the room, that is, the issue of unemployment. The article in question is geographically slanted towards west Cork which, it claims, is a black spot for jobs services. I encourage everyone to read it because it informs us that at present the spread of resources available for training, developing skills and getting people back into the workforce is unevenly balanced. Let us consider the labour activation issue, which did not produce one cent extra for Cork city and county. That was not good enough. We must re-invigorate schemes in place to provide incentives to create jobs in rural areas.

Senator James Carroll: I welcome the Minister of State, Deputy Connick. I am pleased to have the opportunity to speak on Food Harvest 2020 — A Vision for Irish Agri-food and Fisheries. It is of great importance to the north east. My parish of Monasterboice and the neighbouring areas of Termonfeckin and the Ardee area are great agricultural areas in the north east. People there wish to see the benefits of the proposals. I am heartened to see short, medium and long term goals in the report because they will be essential in future. Key growth targets in the report indicate to those involved in the sector that we are providing leadership, inspiration and targets for them to hit and the direction in which we wish to see them going, which is important.

The Minister and other speakers have emphasised the key growth targets for 2020, the need to increase the value of the agri-food, fisheries and wood products sectors by €3 billion, which represents a 40% increase compared to 2008, and the need to achieve an export target of €12 billion for these sectors. This is very important in the current climate.

As the budget approaches I hear people on local radio and in newspapers discuss fear and concern for the future. However, we should consider what is happening with exports, which are increasing. This is already happening. It is not a plan for the future; it is already taking place and the short and medium term goals feed into this process.

The third key target of increasing the value of primary output in the agriculture, fisheries and forestry sectors by €1.5 billion would represent a 33% increase compared to the average between 2007 and 2009. This is essential for progress in the years ahead.

The report refers to the fisheries sector as well. I have worked in recent months with the fishermen in Clara Head. Previous speakers have referred to a concern, a historical worry, whereby Irish fishermen believe they do not get a fair crack at the whip. When the fisheries deal was signed in the early 1970s in Europe, things were in a very different place in many respects. The idea of different ships has changed a good deal.

The key message to send to people is that no longer are agriculture and fisheries playing second fiddle in terms of where the economy and the country is headed. Agri-food and fisheries represent Ireland's largest indigenous industry. Senator Mooney always highlights issues related to tourism, the second largest Irish indigenous industry. These are the two strands on which Ireland should focus in future. Agri-food alone employs 150,000 people directly with an annual output of €24 billion, a figure which should not be underestimated. People often pass comment or pay lip service and say this area is important. However, it is singular to highlight the direct jobs created and the sheer volume of €24 billion and what this translates to in practice in Ireland. Agriculture also represents 60% of manufacturing exports by indigenous firms. With €7 billion in exports the sector currently accounts for more than half of manufacturing exports by Irish-owned firms. The sector serves in excess of 160 export destinations. This is the beauty of Irish agriculture and Irish products.

As other Senators have noted, when we go abroad we see Irish names and products stacked on the shelves of the shops in hundreds of countries, something we should never forget. The

[Senator James Carroll.]

Irish message and brand is so effective abroad. The Irish diaspora are very keen to see Irish names on their doorstep. However, that is simply considering the matter from an aesthetic perspective. This is the reality of what is taking place in terms of creating jobs in Ireland.

I listened carefully to the Minister's opening speech. He is keen on pushing the Food Harvest 2020 report. The fact that he will chair the high level group to ensure the effective implementation of the report's recommendations is important. The presence of a Minister at that level is significant. By having the Minister of State in the House, we are showing the people how seriously we are taking this matter. It is important the Minister for Agriculture, Fisheries and Food has taken on this role. The variety of membership and the cross-sectoral nature of the membership of the committee is important. Senator Ó Brocháin mentioned the smart, green approach. These are trendy terms. People ask me what the smart economy means. I explain to them that it means the farmer who is milking more and the businessman who is dealing with his waste or energy bills more effectively and efficiently. That is what the smart economy means on a practical level.

Food Harvest 2020 recommends a smart approach. That means investing in ideas, knowledge, skills and practical matters in being innovative and creative in one's sector. I will listen intently to the conclusion by the Minister of State, Deputy Connick. It is key that we have this goal. We should not do something in the budget that will harm the implementation and effectiveness of this report. This report is energising farmers, not just in County Louth and the north east but throughout the country. If we implement the plan, it could be a fantastic, transformative document for Irish agriculture.

Minister of State at the Department of Agriculture, Fisheries and Food (Deputy Seán Connick): I have listened with interest to the comments from all sides of the House. I thank Senators for their contributions and especially for their engagement with the Food Harvest 2020 report, which we all agree represents an excellent blueprint to see the sector into the next decade. I wholeheartedly agree with the sentiments expressed by many speakers on the potential of the agriculture, food, fisheries and forestry sectors. The food and drink sector has significant potential as part of an export-led recovery. Export-led growth will play a key role in our economic recovery, not least for the reason that the agrifood sector has strong links with domestic economic activity and has a significant geographic spread. We hear much talk about stimulus, and the agriculture, fisheries and forestry sectors are a natural stimulus. We hope it is an area that can be protected in the budget in order that it can lead us from our difficult economic challenges.

The issue of the economic situation was raised by a number of speakers. We are living through challenging economic times. Through a combination of internal and external factors, the economy has suffered a sharp decline in recent years. To ensure we can develop a platform for renewed economic growth, we must address our fiscal situation. The Cabinet spent Monday and Tuesday of this week considering budgetary options for the December budget and for the multi-annual plan to meet our stated commitment of reducing our deficit to 3% of GDP by 2014. Difficult decisions must be taken but the aim is to ensure they do not have an unfair impact on any sector of society. This backdrop presents significant challenges for all actors with a role in developing the sector. The report is addressed as much to farmers, fishermen and industry as to the Government. While there will be significant resource requirements, the 2020 committee agreed that it envisages the prioritisation of policy from the report will be based on the re-prioritisation of existing resources as opposed to making new resources of State funding available. Regarding Government funding, the report offers a strategy and a vision to guide our prioritisation and the allocation of Exchequer resources. It is critical to ensure all Govern-

ment and EU spending in the sector achieves maximum bang for our buck. Having a clear strategy to guide our choice of priorities is an important step to achieving that.

The immediate outlook for the agrifood sector is improving. Farm output has increased by €300 million compared with 2009. The value of exports, at almost €3 billion during the first five months of 2010, is almost 8% higher than one year earlier. This is good news for farmers, their families and the rural economy. It provides a positive and realistic platform from which to continue to grow. I was struck by the positive attitude throughout the development of Food Harvest 2020 and it creates a useful springboard to ensure the successful implementation of actions detailed in the report. Senator Phelan pointed out that money filtered down from the farmer and that when the farmer had money, everyone had money. This is a theory to which I aspire and which I can support. I have seen it at first hand. Senator Phelan is a neighbour of mine and lives not too many miles away from me. His late father used to buy his cars from my late father. The connection exists and the money filters down through the system. When the farmer has money, everyone has money and the economy benefits.

I refer to the impact the successful achievement of the goals set out in the report will have on employment. I also wish to expand on the subject of implementation, which was highlighted by many speakers. The increased output identified in the Food Harvest 2020 report has the potential to create further employment in the SME, artisan food and processing sectors. In light of countervailing trends in the processing sector towards further consolidation, lean manufacturing and rationalisation at primary producer level, however, further analysis is required to determine the precise net impact on employment levels. The initial estimates by Enterprise Ireland based on the output growth targets proposed in the report suggest a net gain of 3,500 to 4,000 jobs in the food sector by 2020 is possible. This more than counteracts the net loss of 1,500 jobs in the past decade.

Prospects of increased employment are also good in micro-food companies employing fewer than five employees. These micro-enterprises are generally not captured in statistics but are important local generators of employment and innovation. I was heartened by the response to Enterprise Ireland's call for food innovation vouchers which the Minister for Agriculture, Fisheries and Food, Deputy Smith launched with the Minister for Enterprise, Trade and Innovation, Deputy Batt O'Keeffe, during the summer. In excess of 100 food companies identified an innovation need and a third level research partner that can assist them in providing solutions using a €5,000 voucher. To date, 94 have been awarded vouchers. The clustering of food companies and the identification of areas of competition where distribution networks may be shared are also contributing to the resilience of the sector. The additional funding provided to Bord Bia from marketing initiatives and to Enterprise Ireland for lean manufacturing has improved competitiveness and contributed to the stabilisation of employment in the sector. A second cohort of 25 Bord Bia Smurfit marketing fellows have begun work with food companies. Individually, these are small steps but are well targeted and are producing direct gains that build capability and confidence in our capacity to achieve the ambitions set out in Food Harvest 2020.

Particular potential also exists in the sea fisheries and aquaculture sector for a step change in development and an increase in employment from 11,000 to 14,000 full-time equivalent jobs by 2020 and by capitalising on strong demand and adopting the strategy set out in the report. Senators McCarthy and Carroll referred to the aquaculture sector and fisheries. That is my area of responsibility and we have tried to work our way through barriers that prevent the development of the aquaculture sector and the job creation and export potential that exists. There is a multi-million market for aquaculture.

This brings me to the matter of action. While some reservations have been expressed about the implementation process, I emphasise my commitment and the commitment of the Depart-

[Deputy Seán Connick.]

ment to delivering on the potential identified in the report. I refer to the Government assurances that it will do all it can to allow the sector to deliver on its potential. The Government has wholeheartedly endorsed Food Harvest 2020 and, in particular, the substantial growth prospects in the sector, recognising that the achievement of this requires the application of smart technology and processes, the necessary structural and operational changes to maximise competitiveness and the achievement, communication and branding of scientifically validated sustainability credentials.

We intend to ensure the strategy will be successfully implemented. I referred to the establishment by the Minister of a high level implementation committee to ensure effective, joined-up implementation, including consideration and prioritisation of how best to pursue the 200 recommendations made. This action group comprises part of the flexible structure put in place to ensure the appropriate actions are taken. The flexible structure will facilitate an action orientated working method, and the recently announced dairy expansion group is a good example of how this will operate.

On the dairy side, there is a clear need to take immediate and commercially sensitive decisions to ensure we expand production and have sufficient and competitive processing capacity. With that in mind, we have set up an activation group involving Teagasc, which has the expertise and best practice on maximising output, farmers, who are able practitioners and are best placed to assess the advice given and use it to increase production, and the industry chief executive officers, who are the key movers on ensuring streamlined, competitive processing capacity. This group must report back to me through the high level committee in November with its decisions. It is evident it is not just a talking shop. Rather, it is a focused action group representing the key actors along the food chain. It has a specific task to work collaboratively and constructively to arrive at the necessary decision within a short timeframe. This cohesive, directed action group is the best way to achieve the desired buy-in by participants to ensure the outcomes envisaged in Food Harvest 2020.

The importance of research and innovation was emphasised in the Food Harvest 2020 report as a prerequisite to achieving the growth targets for the agrifood sector. In response to the report and to ensure the agrifood industry continues to play a key role in Ireland's smart economy, the Minister recently announced a call for research proposals worth €10 million. This will include a joint firm-stimulus desk-based analysis to address the issue of competitiveness raised in the Food Harvest 2020 report. Those examples clearly highlight the urgency with which we are dealing with the priorities identified in the report.

Senator Mooney raised the issue of the Irish Dairy Board, the expansion of the dairy industry and who pays. On why only 60% of processors are involved with the Irish Dairy Board, the answer lies with the choice of individual processors and the paths to market they choose. That can be based on individual processors' commercial considerations but the Food Harvest 2020 report stresses the need for greater collaboration among stakeholders in the agrifood industry and dairy sector. The other question that arises is who is paying for the expansion. That is a key issue that is being examined by the dairy activation group.

I thank Senators for their suggestions and active engagement with this important debate. It is obvious each speaker places great significance on the potential of the sector and in ensuring it flourishes. It has been evident to me that there is a real intent on the part of all stakeholders in the sector similarly to step up to the challenge associated with the implementation of the report. Much hard work has been done to get us to this stage. I assure the House that the Government will do all in its power to ensure the growth and vision clearly identified in the Food Harvest 2020 report is fully achieved. That will ensure the sector's potential contribution to our economic, environmental and social well-being is maximised.

Diabetes Treatment and Management: Motion.

Senator Geraldine Feeney: I move:

That Seanad Éireann:

- acknowledges the public health concerns surrounding diabetes and its increasing prevalence;
- recognises the work already done in the area of strategic policy development to tackle diabetes;
- endorses the efforts being made to highlight the benefits of healthier lifestyle behaviours as a means of preventing this disease; and
- encourages the Health Service Executive to continue to develop and roll out models for the ongoing treatment and management of the disease and its complications.

I welcome the Minister of State at the Department of Health and Children, Deputy Áine Brady, and thank her for her presence. A few short years ago during the period of the wonderful Celtic tiger, which we all know is dead, the mantra throughout the country was “location, location, location”. It was all about investing in a property and which area would garner the best return on an investment. Instead of “location, location, location”, the new mantra is “lifestyle, lifestyle, lifestyle”. Current lifestyle patterns in this country form an issue of considerable concern. As the Minister of State well knows from travelling around the country and from her job, lifestyle patterns are storing up problems for us as a nation.

I was not surprised to see the seven factors that are the commonest causes of type 2 diabetes. The first is high blood pressure, the second, tobacco, the third, alcohol, the fourth, high blood cholesterol, the fifth, being overweight, the sixth, a low fruit and vegetable intake, and the seventh, physical inactivity. Some are guilty of all of these and others of a few. Up to 90% of the 7,000 cases of type 2 diabetes could have been prevented by taking all or even some of the seven factors into account. It is important to note that type 2 diabetes can be prevented.

I would never have considered diabetes to be a killer disease but it is. I compliment the Diabetes Federation of Ireland which from time to time sends us e-mails. One of its most recent e-mails I received related to the cost of diabetic foot disease in my constituency and the need for a national foot screening programme to reduce the number of costly foot ulcers and resulting lower limb amputations caused by poorly managed, undiagnosed diabetes.

Diabetes is the commonest undiagnosed problem, especially in men. A cohort of patients are prone to various diseases but late onset type 2 diabetes is very common in men in their 50s, 60s and 70s, depending on their lifestyle. I was surprised to read that approximately 7,000 foot and leg ulcers were recorded by the Health Service Executive between 2005 and 2009. Each ulcer cost between €9,000 and €30,000 to treat. What was even more staggering was that the average hospital stay of each of those patients was 21 days. A total of 1,500 of those ulcers, which are also prone to gangrene, led to lower limb amputation in the same period. Approximately 70% of those who have an amputation will probably have the corresponding limb on the other side of their body amputated within 18 months. If one was in the most horrific car crash one could imagine what it would be like to wake up and find one was in a wheelchair and no longer able to walk, or that one’s leg was so badly crushed that one had to have it amputated. At least one would be able to say it might have been God’s will and that one got away with losing a leg in a severe car crash instead of a life.

[Senator Geraldine Feeney.]

Diabetes is brought on by lifestyle. Therefore, changing lifestyle would save many people from an early death. The House debated the incidence of diabetes in April or May 2009, at which time I mentioned the case of a close friend of the Minister of State and a woman whose company everyone had enjoyed thoroughly, the late Senator Kate Walsh. Everyone knew Kate was a diabetic since she regularly raised the issue on the Order of Business and contributed to debates such as this. She got down on her knees and pleaded with people to change their lifestyle. She was loved in the House and always stated that, if she had had a healthier lifestyle and not been overweight, she could have avoided diabetes. I thought of her today while scribbling a few words. I am sure that, wherever she is in floating around the lovely clouds up above, she will smile and tell us to keep going. She would be particularly proud of the Minister of State present. For her sake and that of all sufferers, we must do whatever we can to push the HSE in the right direction to initiate a screening programme. Consider the lives that would be saved as a result. During our last debate on the subject I understand the Minister of State, Deputy Áine Brady, told the House that a screening programme had been rolled out in the west. How is it progressing and how has it minimised the terrible effects of diabetes with which sufferers must live?

Between 2005 and 2009 a total of €239 million was spent on treating complications associated with diabetic foot disease alone. The Minister of State and I know that 40% to 70% of this amount could be saved in three years. Rolling out the service nationally would cost €1.5 million. We have all been asked to speak to the Minister of State about the roll-out. This question is relevant, given that we are in the run-up to the budget and that money is tight. In that regard, we all had a rude awakening yesterday. Sitting across the floor from me is Senator Twomey who is involved with his party in the talks on the economy and the forthcoming budget. I saw him last night. I am sure he would agree that anything that could be done to save money and, more importantly, lives should be done. Since the figure for cuts in the next four years is €15 billion, we know that €1 billion or a little more will be cut from the health budget, but could the Minister of State and her colleagues, the Minister of State, Deputy Moloney, and the Minister, Deputy Harney, see their way to putting a screening programme in place for people at risk contracting this terrible disease?

From previous debates on health and screening for different diseases, I know that men are probably the worst in looking after themselves. Women are more inclined to attend a general practitioner or a GP's nurse when they have concerns, whereas men are inclined to put health matters on the long finger. The television advertisements on the effects of a stroke — we are told to dial 999 or whatever the number is when we see the signs — are scary. Were one to refer to the seven lifestyle factors I mentioned as potential killers, men would try to reduce their level of exposure to them.

The Dublin city marathon was held on Monday. Some of us were in our cars looking at all of the bodies running on the roads. Quite a few Senators participated in the event. However, people run throughout the year. Apart from Members on my side of the House, Senator McFadden also ran in the marathon. Well done to her.

Senator Liam Twomey: Bualadh bos.

Senator Geraldine Feeney: She will never enter the Chamber complaining about having diabetes.

Senator Nicky McFadden: I hope not.

Senator Geraldine Feeney: She is one of those people who tells themselves they will be fitter and healthier. Fair dues to her. I am throwing a bouquet at her.

Senator Nicky McFadden: I thank the Senator.

Senator Geraldine Feeney: I wish I could have ran a marathon. I ran a mini-marathon this year and that is good when one is aged 50 years or over.

Will the Minister of State consider the matter from the following perspective? Hospital beds are being taken up for an average of 21 days; earnings are being lost and sufferers' jobs are being affected. When people are out of work, it has a significant impact on the social welfare budget. This is all about saving lives and is a win-win. The amount of €239 million spent in treating complications could be reduced to as little as €1.56 million if we were to roll out a national screening programme.

Senator Maria Corrigan: I second the motion before the House. The issue of diabetes is of increasing significance, particularly in the western and developed worlds. According to the statistics, 5% of Ireland's population have diabetes. Where it remains undiagnosed or poorly controlled, it can lead to severe complications, including having adverse effects on the eyes and kidneys, nerve damage and vascular complications. The consequences of controlling diabetes poorly vary. It results in an increased susceptibility to hospital admissions and poor health. In terms of vascular complications, almost 2,500 people were admitted to hospital for the treatment of foot ulcers in my area of south Dublin between 2005 and 2009. Of these, one third had diabetes, while 186 had limbs amputated, a severe consequence. Not only must the people affected live with and try to manage a condition that, in many instances, is preventable, they must do so with a physical disability.

In terms of the economic consequences, the condition can have implications for employment and people's day-to-day quality of life, but it can also affect others. In these days of tight health budgets, an estimated 10% is spent on treating diabetes-related conditions. At the current rate of increase in diagnosis and acquisition of this condition, it is estimated that figure could climb as high as 25% in coming years. That is a very significant proportion of health spending, especially when we consider that in a significant number of cases we could have prevented the onset of the condition in the first instance.

I shall give examples of health care spending. Nationally, and in only one area, namely, foot care or podiatry, we spent in excess of €250 million between 2005 and 2009 on conditions related to diabetes. In Dublin South the figure spent was almost €26 million for those four years. These are significant sums of money and, therefore, I very much welcome the establishment this year of the national diabetes programme under the governance of the quality and clinical care directorate of the HSE. I support its five key objectives which include screening, retinopathy screening and the establishment of a national diabetes register to progress foot care services and facilitate the integration of diabetes services between primary and secondary care. Most important is the development of strategies to improve diabetic control and risk reduction to prevent the onset of diabetes or diabetic complications.

There are two aspects I wish to mention to the Minister of State which are in the areas of prevention and podiatry. Senator Feeney spoke about the importance lifestyle plays and listed the seven factors that cause diabetes. I will not repeat them but reiterate the emphasis she placed on lifestyle factors. Significantly, if one considers such factors as nutrition, exercise and control of tobacco and alcohol consumption, investing in a programme to encourage people to take responsibility for their lifestyle and commence healthier lifestyles has very positive implications not only in the area of diabetes but across all areas of our physical and mental health. I was very struck when I read some of the material that, with the exception of one that was

[Senator Maria Corrigan.]

omitted, REM-sleep, the lifestyle factors which have been identified are all those we would use to promote positive mental health. For example, we know obesity, which is strongly linked to the onset of diabetes, has implications for other areas of health. Although I know we are in a time of very tight budgets and it is a struggle to distinguish what we can afford to invest in to get a relatively quick return and what must put on hold for a while, investing the money in promoting healthy lifestyles is good. This applies not only to diabetes but also to the physical and mental well-being of people.

I welcome, as will many others, that the national diabetes programme will place a particular emphasis on the delivery of services in the area of podiatry. If it is the case, as is demonstrated by international research, that we can reduce diabetic foot disease by more than 50% through foot screening and an annual check-up for each person with diabetes, the investment of approximately €1.56 million per annum would provide a nationwide service and significantly reduce costs. Given that the consequences of diabetes can occur very quickly, this investment is one for which we might see a very quick economic return, never mind the positive impact for individuals.

I acknowledge and welcome the fact that a degree course has been available since 2008 and that the first graduates will come from that programme in 2011. The diabetes programme we now have is a good opportunity to make the most of these graduates and ensure we do not lose their newly acquired expertise and training to services abroad but keep them in Ireland and see a practical and concrete return on the investment we have made in their education.

Senator Liam Twomey: Given the seriousness of diabetes and the awful impact it has on patients in the Irish health care system I am disappointed by the Fianna Fáil motion tabled for the House. Apart from acknowledging there has been an increase in diabetes and we should all live healthier lifestyles, there is no effort to say what strategic policy developments there have been in recent years or what the HSE is developing and rolling out in the treatment and management of the disease.

Diabetes is a shocking disease within the Irish health care system and has a shocking impact on patients and families. As we know, prevention is better than cure but the cure needs a clear management plan and needs to be updated and changed constantly because the care of diabetes also changes constantly. If one talks about changing lifestyles, one must talk about changing the mindset of the people. I have seen patients with below the knee amputations who continue to sit outside hospitals smoking their brains out and patients with poorly controlled diabetes who come to my surgery and have no regard whatsoever for the seriousness of their disease or for their alcohol or smoking habits. There is no point in lecturing such people. It is all about lifestyle changes and changing mindsets about a disease that is increasing all the time.

Senator Feeney is right to say it is almost out of date to talk about diabetes on its own. We now speak about metabolic syndrome which takes into account obesity, blood pressure, high cholesterol and lack of exercise as well as diabetes issues. One can no longer treat diabetes as a separate disease because there are other factors such as the risks posed by high cholesterol and high blood pressure and what obesity and lack of exercise do to the human body. These factors occur with diabetes in very many cases.

When I was Fine Gael spokesperson on health and children I published a detailed screening programme that included not only diabetes but also a number of diseases prevalent in society, again related to cholesterol and blood pressure factors. That was in 2004 but nothing has happened since. Not only did the Government not manage to steal that policy, it made no effort to take on board a very simple screening policy that could have been implemented across the primary care system and that would have had a considerable impact in diagnosing diabetes

in people who do not know they have it and instilling the mindset that we must have a different way of looking at these diseases.

When we worked on that policy of screening and dealing with diseases such as diabetes, it was not only what I thought that was important. There were meetings with our education spokesperson, Deputy Olwen Enright, and our sports spokesperson, Deputy Jimmy Deenihan. We recognised it would be very difficult to change the mindset of people in their 40s or even their 30s in regard to their alcohol, smoking and exercise habits. The best place to start changing public policy is in the schools and therefore the treatment of these types of diseases in our society is as much a concern for the Ministers for Education and Skills and Tourism, Culture and Sport as it is for the Minister for Health and Children. We need to get young children active and eating properly and we must open up their minds as to what causes diabetes and many other related diseases.

Clearly, the Government has done very little about prevention and most of what happens within Irish society is simply being done on an *ad hoc* opportunistic basis by general practitioners. There is no clear programme as regards prevention and screening for diabetes within the health care system.

As regards its management, diabetes is considered to be a chronic disease that needs proper management in a structured programme. Dr. Velma Harkins, who is based in the midlands, wrote an excellent programme as regards managing patients with diabetes within the primary care setting. I am not talking about the hospital setting where patients attend
6 o'clock clinics once a year, but rather the management of patients in general practice within the primary care setting, with public health doctors and nurses, the practice nurses and their own GPs. That programme has gone nowhere, however. It was an excellent policy that was written up, but it is only implemented where GPs themselves are interested in diabetes. There is no focus from the HSE or drive for the programme to be given by the Department of Health and Children. All we get are more reports and fine words, but no action.

That is why diabetes continues to increase in this society as we continue not to face up to our responsibilities as regards dietary habits, weight, smoking, drinking etc. We are not getting leadership from those we might expect it from. There is a need to be honest with ourselves as regards what is being done and what should be done. However, that type of focus is not happening. I appeal to the Minister of State to go back to basics. Let us look at lifestyle, but also the mindset that changes it. Let us look at prevention, but be honest about what we are going to do in this regard. Prevention is not just about a few advertisements on television. It is also about a screening programme. Just look at BreastCheck and the cervical cancer check programme, and how they have changed the mindset among patients that these diseases exist and something needs to be done about them.

It is the same for diabetes. If there is a screening programme for high cholesterol, high blood pressure or the risk of diabetes within the population, it raises public awareness and that is how we will get action. That is what prevention being better than cure is all about. However, if we have to look after patients who are unfortunate enough to contract diabetes, let us have a proper management plan. The best place to look after those patients is in primary care. The policy is already written. The Minister of State can refer to the Irish College of General Practitioners and speak to Dr. Velma Harkins and others who will show her an excellent policy that may be easily applied right across the country to look after patients in a primary care setting. That helps to reduce the cost of diabetes to the health care system by moving it out of the hospital setting where the more serious diabetes cases can be looked after including patients suffering from complications of the cardiovascular system, renal system and virtually every system of the body.

[Senator Liam Twomey.]

There is a need for us to adopt that type of proactive approach in dealing with diabetes. There is an immediate cost benefit for the Government if it can get this programme right. It may have to spend €40 million or €50 million on a proper screening programme to look at all illnesses, but that would deliver a very quick return to the State. We need to get back to addressing how medicine should work, in which case we shall do much better for patients in the long-term.

Senator Niall Ó Brolcháin: I welcome the Minister of State. She is a regular visitor to this House and is always very welcome.

Listening to Senator Twomey, I find it difficult to disagree with much of what he said. There is absolutely no question that prevention is better than cure. Indeed, the national diabetes programme 2010 has five major points to it, the fourth of which is to facilitate integration of diabetic services between primary and secondary care. I fully agree with him that diabetic services should be integrated into primary care. The programme the Government is undertaking to ensure the primary care teams are being rolled out around the country is important. The reality is that the focus on primary care is fairly new in our society. The Government is putting this programme in place as we speak.

In Galway roughly 16 of the 26 primary care teams have been put in place at this stage, but the integration of diabetic services into those teams is important. The other four items in the national diabetes programme 2010 are to establish a national diabetic retinopathy screening service, to establish a national diabetes register, to progress footcare services nationally and to develop strategies to improve diabetic control and risk reduction to prevent diabetic complications.

It is the policy of the Green Party — I have been involved in putting it together — that we need to increase significantly the proportion of health spend on preventative care. Indeed when I met the Finnish Minister for Health I asked her what the key issue was that fomented her country's change from having a very poor health service to a good one. She stated the key was increasing the health preventative budget from about 2% to 10%. Every government should be seeking to increase the amount of money spent on health prevention.

Diabetes has been around for a very long time. My grandmother was three years old when her mother died from diabetes in her twenties. That was something which always affected my mother, and indeed the whole family. It was always talked about. Only a few years after my great-grandmother's death insulin was discovered as a method of treatment. We have come a long way since then, thank God, but as Senator Twomey pointed out, there is still a long way to go.

One in 20 people approximately is affected by diabetes in Ireland, equating to eight Deputies and three Senators, roughly. That is probably accurate. There a number of Oireachtas Members who struggle with diabetes. Senator Twomey is absolutely right that a healthy lifestyle is crucial and that there is not enough emphasis on it. That is absolutely true and there has to be much more emphasis on that. One can criticise this Government or go backwards, but the reality is that prevention is better than cure. No Government in recent years could hold its head up high and say it had implemented a necessary programme with great aplomb.

I listened carefully to Senator Corrigan. She made some important points in relation to the work being carried out. In 2005, for instance, the health care skills monitoring report was published which examined a range of health care grades, including podiatrists. As a result of that the National Podiatry School was established in Galway. As Senator Corrigan pointed out, in 2012 the first graduates of that school will graduate. An important campaign is ongoing to

ensure those podiatrists are integrated into the primary care teams around the country, and employed by the health service to emphasise that prevention being better than cure is not just a cliché but a reality.

I have examined the economics of this and Senator Corrigan talked about her area. In the Galway region between 2005-09, €11.4 million was spent on treating preventable diabetic foot disease. There were 797 patients from Galway city and county admitted for treatment for foot ulcers in that time and nearly 40% of those had diabetes. Again Senator Twomey is absolutely correct in saying podiatry is not just to do with diabetics. This is very much a lifestyle area we need to look at.

A further 73 people with diabetes from Galway had a lower limb amputation in that period. In any case where a limb is amputated relating to diabetes, that is a failure on the part of the system because the costs are going to be considerably higher if matters are allowed to reach that level. Much better screening programmes are needed. Therefore it is much more cost effective if we can treat diabetes than allowing a situation to develop whereby somebody has to have his or her foot amputated. I endorse calls to ensure podiatry graduates from Galway are integrated into the primary health care system, in line with health service and Government policy. That said, they cannot be integrated until they have qualified. Since 2005, we have recognised there is a problem and we have put in place a policy to ensure podiatrists will be incorporated into the system. Unfortunately, we will have to wait until 2012 before that happens. It is important the primary care teams are set up in such a way as to allow this to happen and everything that can be done in the interim should be done. It is a time of cutbacks but it makes economic sense to go with the policy that prevention is better than cure to ensure people get proper treatment and podiatry is put in place in the primary health care system. I endorse every effort to ensure this happens and that maximum services are provided to people who contract diabetes.

Senator Nicky McFadden: I welcome the Minister of State to the House. While I think it is important to debate this issue, I found the wording of the motion quite strange. I acknowledge the improvements in this area and the fact that a strategic policy has been developed to tackle diabetes, but I find it strange that it is the Government that intends to encourage the HSE to continue to develop and roll out the services. The Minister for Health and Children has responsibility for the HSE and it should be she who ensures this policy is rolled out. I acknowledge the work done by Dr. Velma Harkins in rolling out a policy and strategy for general practitioners and primary care services.

We have all received letters from people who suffer from diabetes. I believe the various associated conditions, such as ulcers, that eventually lead to amputations can be prevented and I do not understand how we are spending €4 million in Westmeath alone on the treatment of preventable diabetic foot disease. Of some 250 Westmeath people admitted for treatment for foot ulcers, one third have diabetes. As Senator Feeney said, much diabetes could be prevented through having a proper, healthy lifestyle. It is not difficult to have a healthy lifestyle, but education on this starts in the schools and with parents. We must educate parents on how to rear children on a healthy diet, on the importance of avoiding processed food and of taking proper exercise. Having worked in the health care area for ten years, I am acutely aware of the number of people who suffer from late-onset type 2 diabetes. This is due to lifestyle — drinking too much alcohol, eating too many processed foods and not taking enough exercise. Education on this, not through occasional advertisements on television but through GPs and primary care teams, would prevent the need for many foot and lower leg amputations.

Some people die from diabetes as a result of neglect. I agree that the worst offenders for getting themselves checked out are men. As Senator Twomey said, if we had a proper roll-out

[Senator Nicky McFadden.]

of a strategic plan, like those for breast or cervical cancer, diabetes could be detected early. It would be easy to roll out such a programme because the one blood test required could be taken when people attend for their health check-up. People identified as being in danger of developing diabetes could modify their diets in order not to become insulin dependent. I endorse what others have said and urge continuing improvements in this area. The good policies and plans that have been prepared should be implemented through the primary care system, practice nurses, awareness campaigns in schools and education of parents on providing and preparing proper food.

I and some of my colleagues are involved in the ongoing safefood programme in Leinster House and I commend the safefood team on the excellent programme it is rolling out and on its awareness campaign on television and through us. One hopes the fact that politicians are involved, as in “Operation Transformation”, in trying to live a healthier lifestyle will encourage others. I, for example, have stopped taking my blood pressure tablets since I lost weight. If people modify their lifestyles, which is good for their heads and minds, take exercise, stop eating the wrong foods and stop drinking too much alcohol, they will feel better and prevent the development of conditions associated with diabetes. It is all about prevention, which is far better than cure.

It is extraordinary how much money and how many days are lost from work because of diabetes. This helps us understand the need for a screening programme. Far less money would be needed for podiatry if we had such a programme. I know how difficult it is to cure an ulcer for someone suffering from diabetes. It is almost impossible. Diabetic ulcers are very painful and I commend the nurses and doctors who treat people with such ulcers. These ulcers are preventable and I do not understand why an awareness campaign is not rolled out. One out of every 20 people in the country suffers from diabetes and it only stands to reason that the roll-out of a programme would save the country money. It would make economic sense not just to encourage the HSE but to mandate it to roll out a screening programme. This would be a wise move, would be money well spent and would reduce the number of people who lose limbs.

I cannot stress strongly enough the need for this programme. I have seen people attend clinics for months in an effort to cure their diabetic ulcers. Some of these people end up having to have toes, feet or legs amputated. Diabetes also affects people’s eyesight. These problems result from neglect due to poor screening. While I welcome the developments there have been, there is much more to be done.

Senator Camillus Glynn: Ba mhaith liom fáilte a chur roimh an Aire Stáit. I welcome the Minister of State, Deputy Áine Brady. I thank the Leader of the House for arranging for this debate at my request. On several occasions in the past, not just in this Seanad but in previous ones, I have sought a debate on types 1 and 2 diabetes. Having listened to colleagues on all sides of the House, it is clear that diabetes is regarded in a serious manner, and rightly so.

An elderly general practitioner told me if we could rid ourselves of the problem of diabetes we could close half of our hospitals. Many people might believe that to be a throw away remark, but there is much truth in it. Having in the past dealt in a professional capacity with diabetes I can say with much sincerity to this House that it is a huge problem. I know of three Members of the previous Seanad from this side of the House who were diabetics. Two of them have since passed to their eternal reward. They were the ones of whom we knew.

As regards heart disease, one quarter of all by-pass operations are carried out on people who have diabetes. Diabetes is the primary cause of kidney failure and the commonest cause of blindness in people aged under 65. People who have been diabetic for any length of time will say they have great problems with their sight. Conditions such as gangrene of the lower

limbs, the loss of toes, feet and legs are not uncommon. Diabetes is the primary cause of lower limb amputations.

A friend who is a consultant physician revealed to me today the startling statistic that 20% of people attending his outpatient department are diabetics. Another startling statistic is that a person with diabetes is five times more likely than a person who does not have diabetes to suffer a stroke or die from a heart attack. They are frightening statistics. It is said that for every type I diabetic diagnosed one or two go undiagnosed.

When a member of the Midland Health Board in the early 1980s a grand nephew of mine, then ten years old, was diagnosed as a type I diabetic. He was at that time one of ten newly diagnosed diabetics in the medical ward of Mullingar Regional Hospital. When I asked the director of community care if the incidence of diabetes was on the increase or if it was the case that we had better diagnostic facilities than was previously the case, he told me we had better diagnostic facilities. That information was incorrect because the incidence of diabetes has increased and had even at that time increased, which is in excess of 20 years ago.

Much has been said about lifestyle. Lifestyle has an integral role to play in this area and exercise is extremely important. There is common reference to obesity diabetes. Fatty foods such as crisps and fizzy drinks are considered causation factors in type II diabetes.

The national diabetes programme was established under the governance of the quality and clinical care directorate of the Health Service Executive to progress a national diabetes plan. The plan has five key objectives: to establish a national diabetic retinopathy screening service, to establish a national diabetes register, to progress footcare services nationally, to facilitate integration of diabetic services between primary and secondary care and to develop strategies to improve diabetic control and risk reduction to prevent diabetic complications. A campaign is currently underway to improve podiatry services, which I strongly support. I warmly congratulate the Diabetes Federation of Ireland which is doing fantastic work. It is as always in the process of lobbying. Successful lobbying is lobbying again and again and, when one gets tired, lobbying again. In other words, one does not stop. This problem has such serious implications for public health, our hospital services and health resources that something must be done to ensure it is brought under control.

A national screening programme was mentioned, a worthy proposal. As mentioned by a former colleague, men are the world's worst in terms of looking after their health. It is usually at the insistence of a man's wife, partner, sister, daughter or a female friend that he goes to the doctor. Very rarely do men take action on their own initiative. What is strange is that men will have their cars serviced regularly but will not look after their own health.

A podiatry service is extremely important. I ask that the Minister of State, Deputy Brady, have due regard, through her Department, to podiatry services. Appropriate podiatry services could save people many problems. We must examine how we utilise resources. Resources devolved to the provision of a better podiatry service will in the fullness of time result in people not having to have their toes, feet or legs amputated.

Senator Jerry Buttimer: Cuirim fáilte roimh an Aire Stáit, Deputy Brady. The motion, to say the least, is weak. It encourages rather than mandates the Health Service Executive and endorses, recognises and acknowledges the efforts being made in regard to public health concerns surrounding diabetes and its increasing prevalence. Senator McFadden was correct when she said in her fine address that this disease is preventable. It is unacceptable that almost one in 20 of our people suffer from diabetes. That is excessive. There is a failure on the part of Government to commit to an awareness campaign or resources.

[Senator Jerry Buttimer.]

I know people who have diabetes, some of whom have diabetic ulcers, which is distressing for them. We need to address the issue of podiatry services. Like Senator Glynn I want to pay tribute to the Diabetes Federation of Ireland, Cork for its great work. I raised the issue of podiatry services on the Adjournment Debate a couple of weeks ago. The level of amputations here as a result of diabetes is high. This problem is placing huge demand on services in Cork, North Lee and South Lee. People are being discharged from the HSE services to the care of their general practitioner, which is all fine and dandy but general practitioners do not provide podiatry services, resulting in risk to patients. There has been a reduction in staff complement in HSE Cork. Many staff have not been replaced resulting in our having fewer podiatrists to review patients with feet problems. There are fewer podiatrists to review diabetic patients' feet and, therefore, complications are increasing.

We should look at this issue from a real life perspective. All people with diabetes require a foot review but that is not happening. The discharges should not be allowed to take place because the patients are returning at a later stage with complications. That results in more misery for the patient, more cost to the State and an increase in the number of amputations. We are talking about human beings, not statistics. The motion refers to "endorses the efforts being made" and "encourages the Health Service Executive to continue to develop and roll-out models for the ongoing treatment". This is the model of ongoing treatment we are now talking about.

The expert advisory group recommended increasing the number of podiatrists and the amount of resources. I accept we are living in different economic times but can somebody explain to me how it makes sense to discharge people from a service to which they come back in at a different level that costs the State more money? That is the implication. People are not being routinely reviewed on an annual basis. They come back into the service at too late a stage, as Senator Glynn stated when he spoke about men's health. The negative side of that is that patients lose a limb through amputation and, as the Minister is well aware, the mortality rate is high in that regard. The old cliché, a stitch in time saves nine, applies in this regard. We should put in resources at a front-line level because we have an obligation to look after people.

I will give the Minister a statistic. We had seven to eight podiatrists in the north Lee-south Lee area in Cork but we have only four or five now. That is a reduction in the service being provided. That is at a time when the rate of diabetes is increasing yet we find that words such as "recognise", "endorse" and "encourage" are used in the motion. That has implications for people's personal and social circumstances. I stress the point that the people come back into the service when their condition is at a more advanced stage and with more serious complications.

In terms of the effective control of diabetes, investment in the podiatry service for patients, who are people, would lead to a massive reduction in the development and progression of complications, a reduction in the number of amputations and a reduction in the number of people seeking hospital beds, which would result in savings to the State. That is a win-win situation.

If it were not for people like Pauline Lynch and Charlotte Pearson in Cork and many other parents, we would be in a much less healthy position regarding the provision of services because we have had inadequate funding. People with diabetes have been forced into under-resourced treatment services which prolonged hospital stays and resulted in money being badly spent.

Of the 1,691 patients from Cork city and county admitted for treatment for foot ulcers between 2005 and 2009, one third had diabetes. A further 202 people with diabetes from County Cork had to have a lower limb amputated in that same period. That is a very high figure when one considers that 5% of the population suffers from diabetes.

Better use of the money we are spending in the area and a wiser approach to the patients would lead to a massive reduction in the number of people coming back into the system with complications, reduce the number of amputations and reduce the number of people seeking hospital beds. That would mean we would have a saving to the Exchequer but, more importantly, it would ensure a better quality of life for the patients who matter most.

I hope the Minister will not just take this motion as it appears on the Order Paper. It is a poor motion. In the context of what I have outlined I hope we will talk about people and not outputs and inputs.

Senator Paschal Mooney: I welcome the Minister of State. This is an area the Minister comes up against on a regular basis in terms of a policy issue, and it is welcome that there should be a debate on this important issue.

The motion refers specifically to endorsing the efforts being made to highlight the benefits of healthier lifestyle behaviours as a means of preventing this disease. The rolling out of Government policies on healthier lifestyles is as relevant as addressing the lobby groups which have been bombarding us with e-mails in recent weeks about amputations and what could and could not be saved. It is not simply a matter of addressing the consequences of this terrible condition but preventative policies, and in that regard I applaud the Government for the initiatives it has taken.

Notwithstanding the comments and the criticisms being levelled at the podiatry services across the country, I want to put on record that that is not the case in my region of Donegal, Sligo-Leitrim and west Cavan. I will deal with the specifics of that, but in reading some of the documents supplied to Members on all sides of the House about this motion, there is a reference which would support my contention that in our region at least this issue is being addressed effectively and efficiently. It states:

In relation to the quality of treatment available from the HSE and whether it differs from region to region, the short answer is “Yes — there are differences”. Quality of care is good, where care is available. Across the spectrum of health issues which a person with diabetes may have . . . the problems relate to the actual existence, availability, and access to the required services rather than the quality of care. So to answer the question, it’s down to waiting lists for existing services on one hand and the need to develop services where none currently exist on the other.

That is a fair assessment.

The north-west HSE region has more podiatrists than any other region in the country. The general service provided is not specific to diabetes but between podiatrists and chiropodists, they visit all of the rural clinics and, in the normal course of events and in association with the diabetic nurses, identify those who are suffering from diabetes and recommend the appropriate facilities into which they should be placed.

There is perhaps a need for a link between those who are operating on the ground and those providing the services at hospital level but on the evidence so far in my region, there is in place a very efficient service. Despite what was said earlier about the numbers of those who, tragically, undergo amputations subsequently, the condition is being picked up because of the intensive nature of the trawl and in the normal service being provided by the podiatrists and the chiropodists, certainly in my area.

I am not an expert in this area but I understand it is only the chronic cases that require amputation and that in some cases, and I do not want to stereotype people who end up with this life-threatening condition, it goes back to prevention and the person’s lifestyle. To be frank,

[Senator Paschal Mooney.]

for generations those of us in this country have indulged in foods that are not in our best interests. If there is to be a focus on how to address the diabetes, it should not be one-sided. It should not be a question of just providing more podiatrists, more beds or more facilities; it should include the provision of health education. Health policies have been introduced not only by this Government but also by successive Governments over the last quarter of a century, but they have not had the desired impact. I even see it with my children. They are more likely to be stuffing themselves with fast food than eating the required daily intake of fruit and vegetables. This is a complex area. We as parents try to encourage our children to adopt a healthier lifestyle, but when Wi-Fi, the iPhone and the Sky box are competing for a child's interest, it is far easier for him or her to be a couch potato than to go out and exercise. This is coupled with their trips to the local fast food shop, or the greasy spoon as we used to call it, although I know such places have moved on a lot since then. Parents are fighting an uphill battle.

If I were to communicate just one point to the Minister of State it would be this: if we formulate a marketing campaign that is listened to by young people we can encourage this generation, at least, to start thinking about their health. When I talk about a healthier lifestyle, I am not just talking about doing the Dublin city marathon; I am talking about watching one's food intake. People need to be educated at school level. I know it is not as widespread as it used to be, but school tuck shops used to stock crisps and fizzy drinks and this was never questioned. In fact, a Member of this House — I will not name the man — who was involved with teachers argued on one occasion that such a diet was full of protein. I walked away shaking my head in disbelief that he thought that was the sort of diet schoolchildren should have — chips, crisps and soft drinks.

Companies that produce such foods also have a responsibility in this regard. I know they are in the business of making money, but it is not a coincidence that each year, coming up to the beginning of the school year, our children are bombarded daily with printed and broadcast advertisements. The major international retailers start to run promotional weeks in which a number of packets of crisps or fizzy drinks can be obtained for a couple of euro. These are linked, rather cleverly, with some sort of school scheme in which, for example, if children buy crisps or fizzy drinks they get free copybooks. There is a need for joined-up thinking in this regard. We should be addressing the issue of lifestyle as well as filling the gaps that exist in the provision of services.

Health professionals in my region are doing a good job identifying potential candidates for amputation and acting quickly to save them. I commend the HSE north west in this regard and I commend the motion to the House.

Senator Ivana Bacik: I welcome the Minister of State, and I welcome the opportunity to debate the issue of diabetes. There is, as the motion states, a great deal of public health concern about diabetes and it is a major issue for the health service. As others on this side of the House have pointed out, the motion is flawed. It is a rather bland motion with little of substance to say about the need for health education and awareness campaigns about diabetes. It simply acknowledges public health concerns, recognises work already being done, without saying what it is, and endorses efforts being made to highlight the benefits of a healthy lifestyle, while encouraging the HSE to continue to develop models for ongoing treatment and management of diabetes, without saying what these should involve.

We all know somebody who has diabetes. The condition has various types, each with a different prevalence, as the Minister of State is aware, from insulin-dependent diabetes, in which people must inject themselves with insulin every day, to a much less intrusive version.

In recent weeks we have been receiving many e-mails about a particular aspect of diabetes, namely, the cost of diabetic foot disease. We have all received letters from the Diabetes Federation of Ireland, which I thank for bringing this to my attention. It was not an aspect of diabetes treatment about which I was knowledgeable.

We all acknowledge that, as Senator Mooney said, there are significant issues with regard to the prevention and treatment of diabetes and particularly the promotion of healthier lifestyles. However, on the issue of diabetic foot disease, which we are here to discuss, the particular problem that was brought to my attention by the campaign run by people with diabetes is the inadequacy of podiatry services available to diabetics. I hope I am pronouncing “podiatry” correctly.

Senator David Norris: Yes.

Senator Ivana Bacik: There have been a number of different pronunciations in the House. Podiatry is the branch of medicine which deals with lower legs and feet. About 50% to 60% of the work of HSE podiatrists is connected with diabetes. We know that adults with diabetes are prone to nerve damage in their feet and legs, and that infections in those with diabetes can easily become leg or foot ulcers. We have done some research on this within the Labour Party, and I am staggered by the cost to the health service of the treatment of such ulcers. This is an issue that is perhaps not uppermost in people’s minds when they talk about diabetes treatment, but it is a major issue for people with diabetes. Six thousand cases of foot or leg ulcers were recorded by the HSE between 2005 and 2009. Each of them cost €30,000 to treat, with patients staying in hospital for an average of 35 days, and a staggering 1,500 of these ulcerations led directly to lower limb amputation. Thus, inadequate podiatry services have real consequences for people with diabetes, and that is why this campaign is being run.

As my colleague Senator Prendergast, the Labour Party health spokesperson in the House, pointed out, last month’s HSE report on diabetes showed a decrease in the prevalence of foot ulcers for patients with both type 1 and type 2 diabetes which represents considerable progress and can be attributed to the implementation of an evidence-based foot care protocol and a limited increase in the number of patients undergoing regular foot assessment and review by a podiatrist. However, although there have been developments in the treatment and management of diabetes, including this particular consequence of diabetes, Ireland still lacks a comprehensive foot screening programme. The Diabetes Federation of Ireland has called for such a screening programme, which it says will reduce the number of foot ulcers and resulting lower limb amputations caused by poorly managed and in many cases undiagnosed diabetes.

The introduction of such a programme would bring massive benefits to all involved, particularly those unlucky enough to be diagnosed with diabetes or whose conditions go undiagnosed until they manifest in the sort of foot conditions about which we are speaking. An investment in podiatry services would reduce the number of avoidable complications, which in many cases lead to prolonged hospital stays, long periods of immobility or amputation. In many areas, patients are being subjected to undue suffering that could be avoided if we had adequate podiatry services and better provision of such services across the country. The focus of some e-mails I received has been on particular areas such as north Dublin city and county, but we need to ensure there is a consistent level of treatment available across the country.

Adult-onset or maturity-onset diabetes, known as type 2 diabetes, usually develops slowly in adulthood. With an average of seven years between onset and diagnosis, the earlier the condition is detected, the easier it is to reduce the risk of long-term complications. Even with our focus on ulcers and infections of the feet, it is important not to lose sight of other serious consequences of diabetes, such as heart attack, stroke, kidney failure and eye disease — the

[Senator Ivana Bacik.]

latter a consequence of diabetes with which I am more familiar. Not only does the lack of an extensive treatment programme cause undue suffering for patients, but it has a serious impact on ongoing costs due to the necessity of intervening later when conditions such as eye disease have become much more serious. We spent €239 million treating preventable diabetic foot complications between 2005 and 2009. The Diabetes Federation of Ireland has estimated that we could reduce the inpatient cost of treating diabetic foot disease by between 50% and 70% after five years by investing more at an earlier stage on an adequate treatment programme on foot complications from diabetes. It would make sense to reduce the amount of money we spend on treatment by preventing the onset of diabetic foot complications and by ensuring we have a decent screening programme and follow up service. A modest investment of just €1.56 million per year could provide a nationwide screening service leading to less suffering for people diagnosed with diabetes and a lesser ongoing cost for the HSE. Not investing in podiatry services represents a mismanagement of available resources when the consequences to the individual patients and their families, and the health service generally are so severe. We have a chance to improve our health service at a relatively low cost which will represent a long-term saving to the Government. It is of utmost importance that the Government acts on the issue rather than just paying it lip service.

In 2012 I understand Ireland's first podiatry students will graduate from NUI Galway and we hope they will not need to follow other graduates who will be forced to emigrate when we could do so much with their expertise at home.

Senator David Norris: I welcome the opportunity to take part in this debate. I regard myself as very lucky to do so because it had not been on the programme that we would be meeting at this time. When it was rearranged I had several other engagements, all of which I have just managed to fulfil. I have just come hotfoot from Trinity where I was introducing a very important Italian film regarding that country's attempt to do what this House did recently, which is to introduce a civil partnership Bill. While I was unable to see the film I came straight down here because like many of my colleagues, I was contacted by a large number of people with concerns in this area. I delayed replying to all of them, because it was a real flotilla of e-mails and messages until we had this debate so I could refer them to it as I believe they will be heartened by what has happened tonight.

I commend Fine Gael and Labour on not amending the Government motion, which represents a positive approach without the usual mean-minded Wednesday evening tit-for-tat point scoring. I believe that was partly because the Government worded the motion sensitively and in a non-confrontational manner on which I compliment it also.

Instead of contacting all the people who sent me e-mails I went to the source of what I thought would have been the best information. As it may very well be that my colleagues also had access to this, if I am repeating things already said, I apologise. I wrote to Mr. Kieran O'Leary, the chief executive officer of the Diabetes Federation of Ireland. He wrote back explaining that it wished to engage in a programme reducing the number of costly foot ulcers and lower-limb amputations. I am sure very few of us would have realised that diabetes can lead to a situation not entirely dissimilar to the appalling scourge of leprosy. As a result of the impact of diabetes particularly on the lower limbs the nerves become desensitised and as a result patients with diabetes when they reach this point may very well be unaware of what are initially minor abrasions, scrapes cuts and so on, which can become infected and a major source of ulcers leading to gangrene followed by the amputation of the lower limbs. That is an extraordinary progression from a minor graze to the amputation of a leg, which is almost invariably

followed by the amputation of the second leg, which in a large number of cases is fatal. So we are dealing with a fatality that comes from something fairly minor.

I encourage anybody who may be involved in this situation to go to the website because the information there is very clear, accessible, simple and practical. It deals with, for example, examination of the foot, particularly by elderly people. It also refers to the use of professionals because sometimes if people, particularly elderly people whose eyesight may not be good, attempt to rectify a problem such as overgrown toenails, they can without noticing it inflict a wound that may become a serious problem for them. The website recommends first of all inspection, not just to use one's own skills but to seek where possible professional assistance in chiropody etc. and then to maintain a strict regime of hygiene and the use of ointments and so on.

While I do not have diabetes, as I grow older I find I have some of the exact symptoms being described on the sole and ball of the foot. Particularly if one wears sandals in the summer the skin can become calloused and hardened. I have had extremely painful splits in the hard tissue that builds up. It is comparatively easy to treat; in the past year I have got a couple of little instruments. In the bath the skin gets softened and one can scrape it off, which avoids the situation which is merely uncomfortable for me, but could be serious, dangerous and possibly even fatal for people with diabetes. That is the humanitarian thing — the avoidance of suffering.

I am sure the Government will be open to the very clear financial argument, some of which has been sketched out as I just heard in the end of Senator Bacik's speech. It is very telling that the costs can be reduced by this simple foot-screening programme. Approximately 6,000 foot or leg ulcers were recorded by the HSE between 2005 and 2009 each of which cost between €9,000 and €30,000 to treat. Each patient stayed in hospital for an average of 31 days with 1,500 patients having ulcers, which are prone to gangrene, leading directly to a lower limb amputation in the same period. The statistics then become even more worrying. Some 70% of people who lose a limb in this manner will lose the other leg via a contralateral amputation within 18 months. Some 40% of people who lose a leg through amputation die within five years — a worse survival rate than for breast cancer.

Some €239 million was spent treating the complication of diabetic foot disease between 2005 and 2009. A national screening programme costing only €1.65 million per annum could save from 40% to 70% of the treatment cost within three years. We are in a state of budgetary restrictions with everything being cut back. Here is a programme which will save people from misery, save lives, maintain the good health of citizens, particularly the elderly, and will save perhaps up to €100 million for the Exchequer.

This is a very welcome motion that is practical, simple and capable of being acted upon. Obviously the motion has the support of the Department of Health and Children or else it would not have made it onto the Seanad Order Paper from the Government side. I ask the Minister to give some assurance that such a foot-screening programme will be introduced as soon as possible and I ask her to give a timescale for doing so. If there is any disagreement with the Department of Finance, the record of the debate in this House should indicate a significant saving for the Exchequer. We can do the right thing and save money as well as saving people's lives and improving their health. It represents that unusual phenomenon in these difficult days of a win-win situation.

Senator Pearse Doherty: I will use the opportunity to add to what has been said in support of the motion. It is welcome that the focus is being placed on the issue of diabetes tonight and it is appropriate and opportune that we are having this debate. I do not have diabetes, but my nephew who is my godson was diagnosed with it a number of days ago. Therefore, I am aware of the difficulty it causes for him as a young adult.

[Senator Pearse Doherty.]

Diabetes is a medical condition the incidence of which is increasing in the population. I commend the Diabetes Federation of Ireland for the work it has done. I also commend the Donegal branch of the federation; its chairperson, Mr. Danny McDaid, whom I know, and all the people involved who are doing outstanding work in raising awareness of diabetes and campaigning and fund-raising to finance the activities the federation undertakes.

The research carried out by the federation was mentioned by other contributors to the debate. It shows that 5% of the population have diabetes and that this figure will increase by 37% in the next ten years. A total of 10% of the health care budget was spent on the treatment of diabetes in 2008, with 60% of the €1.6 billion being spent on dealing with diabetes complications. I was taken aback when I saw that statistic in the research.

7 o'clock Worldwide, a limb is lost every 30 seconds due to diabetes. The risk of amputation is 20 to 40 times higher in patients with diabetes. A total of 338 people with diabetes had a lower limb amputated in 2008, at a minimum inpatient cost of €1.1 million. This does not include other expenses such as the cost of antibiotics and wound dressings; ongoing direct outpatient, social welfare and housing alteration costs, as well as the many other costs associated with this procedure. When added together, the final cost to the Exchequer is huge and unnecessary. In addition, there are the costs relating to those patients who require treatment for foot ulcers but who do not require an amputation. The five year mortality rate for patients who have had a limb amputated is significantly higher than that for patients who have had breast or prostate cancer surgery, a fact Senator Norris mentioned.

The Diabetes Federation of Ireland has proposed a model of care which would identify those at risk of amputation as a result of diabetes. A pilot project being funded by the federation in Galway suggests identification of an at-risk foot ulcer does not require intense training or high tech equipment. The screening assessments can be easily performed in 15 to 20 minutes by trained practice nurses during the patient's annual check-up as part of an integrated model of care which would allow easy referral, where necessary. To date, 580 patients have been screened as part of the study, with 15% being categorised as high risk, requiring appropriate follow-up action. One podiatrist assigned to the local diabetics clinic is co-ordinating practice nurse training and managing referral pathways. The authors of the motion might have had this study in mind when they were framing it because this is the type of development envisaged in the final part of the motion which refers to models for ongoing treatment and management of the disease and its complications.

I support the motion and the focus on the issue of diabetes. However, with regard to the pilot scheme, will the models for ongoing treatment and management of the disease and its complications be put in place? We must consider this in the context of the current financial situation. It certainly will not happen if the Minister for Health and Children, Deputy Harney, and her Government colleagues have their way with regard to the €600 million to €1 billion to be taken out of the health budget in December. I commend Fianna Fáil Senators for proposing the motion, but if they are sincere, they must oppose the health cuts which can only result in misery for diabetes sufferers and patients throughout public health services.

I am glad I have had an opportunity to contribute to the debate. There is no proposed amendment to the motion which is only right as there is good work being done on the issue. A great deal of State money is being spent, but more work could be done. In that regard, the Diabetes Federation of Ireland has led the way. Let us consider positive actions that would result in a saving for the Exchequer and, more importantly, will ease the pain, discomfort and difficulties suffered by those who have contracted diabetes. It would be a benefit to the patient, the health service and the State.

Minister of State at the Department of the Health and Children (Deputy Áine Brady): I welcome the opportunity to speak on the subject of diabetes. Diabetes mellitus is a chronic, progressive metabolic disease. There are two types of diabetes. Type 1, or insulin dependent diabetes, accounts for approximately 10% of cases and affects mainly children, adolescents and young adults and requires lifelong treatment with insulin. Type 2, or non-insulin dependent diabetes, accounts for 90% of all cases diagnosed in Ireland and affects mainly middle aged and older people. Its prevalence is rising rapidly owing to a number of factors, notably the ageing population, dietary habits and more sedentary lifestyle behaviour leading to obesity.

Approximately one in 20 people in Ireland has diabetes. A report, *Making Diabetes Count — What Does the Future Hold?*, published by the Institute of Public Health in 2005 estimated that over 140,000 adults in the Republic of Ireland had diabetes. It predicted that this figure would continue to rise in the coming years. The institute also estimated that over 10% of Government health care spending was diabetes related. It is worth noting that an estimated 90% of type 2 diabetes and 80% of coronary heart disease cases in the population could be avoided by healthier lifestyle behaviour such as eating a healthier diet, engaging in more physical activity and stopping smoking.

My Department recently launched a new cardiovascular health policy. I am glad prevention and health promotion measures are given particular prominence in this policy report. The recommendations in the report cover organised societal and public policy efforts to tackle smoking, diet, exercise and alcohol misuse, all contributory factors not only for cardiovascular disease but also for diabetes. It is clear that people need to be encouraged to take more responsibility for their own health. A central message is the need to increase awareness of the risks lifestyle and behaviour pose to health and the measures to help patients with diabetes to improve and prevent the onset of complications.

I will now deal with the risk factors that contribute to the incidence of diabetes. Learning to take responsibility for one's health requires a combination of factual knowledge and adopting appropriate values. Regular physical activity reduces the risk of developing chronic illnesses such as diabetes. Research shows that most Irish people are not as active as they need to be to maintain good health. The national survey of lifestyles, attitudes and nutrition, SLAN 2007, revealed that only 41% of Irish adults took part in moderate or strenuous activity for at least 20 minutes three or more times a week. Over one fifth of Irish adults, 22%, reported being physically inactive. This is a cause for concern. It is little surprise, therefore, that the same survey found that 38% of Irish people were overweight and a further 23% were obese.

In June 2009 I launched the national guidelines on physical activity which emphasise the importance of physical activity to overall health and well-being and give clear information on the recommended levels of physical activity required for different sectors of the population. The key message is that physical activity is for everyone and that any level of activity is better for one's health than none. The guidelines recommend that adults should be active, at moderate to vigorous levels, for at least 30 minutes five days a week.

The Department is in the process of concluding a revision of the food pyramid and healthy eating guidelines in an effort to help increase people's awareness of their nutritional requirements and the type of food and portion sizes required for good health. Little Steps, Food Dude and Walk to School Wednesday are examples of education programmes that raise awareness among children and adults.

We in Ireland drink too much alcohol. Apart from the many social harms caused by alcohol, it is a leading contributory factor in many medical conditions. It increases the risk of many diseases even at low levels of consumption. Alcohol consumption can make it difficult to recognise the symptoms of low blood sugar. Diabetics need to be careful with alcohol.

[Deputy Áine Brady.]

People with diabetes are three times as likely to die of cardiovascular diseases. Smoking and diabetes together substantially increase the risk of a heart attack or stroke. Smoking rates in the population still remain persistently high at 29%. In an effort to tackle these smoking levels, the Department has introduced several legislative measures to reduce the initiation and prevalence of smoking. These include the workplace smoking ban, a ban on the sale of ten-packs, a ban on in-store advertising and the display of tobacco products, a requirement that all retailers be registered and curbs on premises where self-service vending machines are permitted.

It has been estimated that up to half of those who have diabetes are undiagnosed. It is crucial that people are aware that diabetes is a disease which can be managed and many of the complications prevented. If an individual is concerned, they should seek medical advice because in many of these lifestyle diseases time is of the essence. The earlier diabetes is diagnosed, the better the prognosis.

Diabetes has a profound impact on lifestyle, work, well-being and life expectancy. Diabetes also causes vascular complications resulting in coronary heart disease, stroke and peripheral vascular disease which are the main causes of premature death for people with diabetes. Diabetes is the commonest cause of blindness and amputations in the working population. Foot problems are a common cause of diabetic admissions to hospital.

Many patients with a chronic condition such as diabetes do not require hospital admission but can be managed in the primary and community care settings if the appropriate support is available and agreed protocols and pathways are followed. This also applies to self-management and support. It is important in this challenging economic climate that patients receive the best treatment possible in the most cost-effective manner.

In 2006, the Department of Health and Children published a policy report on diabetes, *Diabetes: Prevention and a Model for Patient Care*. This set out a model of care based on shared care between primary care and acute services which would deliver quality diabetes care at the appropriate level.

The Health Service Executive established an expert advisory group to implement the policy recommendations. Its report was launched in November 2008. A key element was the publication of integrated care guidelines which represented a new way of primary care and acute specialist services working together to reduce the burden of this condition. The group emphasised real savings could be achieved in health care costs by preventing the complications of diabetes. These would be achieved through patient education and empowerment, primary care linked to specialist secondary care and special provisions for early detection and treatment of any complications that would develop. In this shared care model, roles and responsibilities are clearly understood and it is supported by agreed protocols. Such care has been shown to be particularly effective for the management of type 2 diabetes.

The national diabetes programme was established under the governance of the quality and clinical care directorate of the Health Service Executive to progress a national diabetes plan which has five key objectives: to establish a national diabetic retinopathy screening service; to establish a national diabetes register; to progress foot care services nationally; to facilitate integration of diabetic services between primary and secondary care; and to develop strategies to improve diabetic control and risk reduction to prevent diabetic complications.

A clinician has been appointed recently to take the lead on the diabetes clinical programme. He is engaging with all stakeholders, including the Diabetic Federation of Ireland, clinicians and podiatrists, to establish a multidisciplinary package for diabetic patients.

General practitioners are competent in managing diabetes and its complications, including those affecting the foot. Chiropodists and podiatrists are specialists in all aspects of foot health and also treat people suffering from the complications of diabetes such as peripheral vascular disease. The aims of the podiatry service include maintaining mobility and independence in older people through assessment, treatment, education and support in a clinical and home environment and the education, assessment and care of diabetic patients to prevent complications of the foot.

The HSE provides a podiatry service to medical card holders. Patients requiring podiatry assessment and treatment may be referred from GPs, primary care team members, diabetes services and hospital services. Several initiatives have been undertaken recently such as the development of a standardised podiatry assessment tool for diabetic patients. This will enable referring GPs and practice nurses to give the podiatry department an accurate assessment of the status of a diabetic patient's foot condition which will in turn ensure the department can identify and prioritise high-risk diabetics and provide timely intervention as required.

Services may be provided by chiropodists and podiatrists employed directly by the Health Service Executive. Chiropodists and podiatrists are also contracted under the General Medical Services scheme. These provide services on a sessional basis for clients eligible under the scheme. Chiropodists and podiatrists who undertake these sessions are taken from the list of approved chiropodists and podiatrists who have been assessed as eligible to practise in the public health service.

Podiatry input is recognised as an essential element in the multidisciplinary approach required to maintain the health of the diabetic population. Primary care teams, acute hospital services and the regional diabetes services implementation groups are working together to improve provision and access to podiatry services for people with diabetes.

The expert advisory group in its 2008 report identified retinopathy as one of the commonest serious complications of diabetes. Among its key recommendations was the introduction of a diabetic retinopathy screening programme to prevent eye disease. Retinopathy national screening has been identified as a priority for the national diabetes programme. As Senator Mooney noted, a pilot project has been in operation in the north west for several years. Extending that programme beyond the north west is a priority for the Health Service Executive. An implementation model is being developed by the HSE and it is hoped that implementation will commence in 2011.

It is vital to improve the quality of life for people with diabetes. At the same time, the risks of people getting the condition and the onset of complications in those who have it need to be reduced. The Health Service Executive, through the new national diabetes programme, is progressing a national delivery plan which will provide a blueprint for the delivery of services for patients with diabetes over the coming years. Putting a greater focus on prevention is the most cost-effective and sustainable intervention we can make.

Senator Geraldine Feeney: I thank Senators on all sides for their positive and sincere contributions in this debate. It is not often we sing from the same hymn sheet as we did during this debate. As the Minister of State said, diabetes preventative measures must centre on lifestyle. Everyone must be responsible for their health and lifestyle, maintaining healthy eating, reducing alcohol intake and taking regular exercise.

Senator Twomey referred to having a plan for patients who develop diabetes. GPs would be their first port of call and most primary care centres now have practitioners of those other disciplines that can help in the treatment of diabetes.

[Senator Geraldine Feeney.]

It is important to raise people's awareness of the symptoms of diabetes. An effective way of doing so is through advertising campaigns on television and billboards. People need to be aware that frequently feeling thirsty could be a sign of developing diabetes. We associate blood pressure and high cholesterol with other conditions and perhaps we do not put them down to diabetes often enough. We should educate people in this regard.

Investment would yield an excellent return to the State and the Government. The Minister of State referred to the need for GPs to be armed with what is needed to control, maintain and look after a person with diabetes and the need for agreed protocol and pathways to follow. The Minister of State should consider seriously the potential of the College of Podiatry in Galway, which has been discussed this evening, and of its graduates which we hope will emerge in 2012. We must ensure we get them into the HSE or the workforce where they can take care of patients. We must keep this issue high on the agenda. We debated it last year and perhaps we should revisit it again in nine months. I thank everyone for their contribution.

Question put and agreed to.

Acting Chairman (John Paul Phelan): When is it proposed to sit again?

Senator Geraldine Feeney: Tomorrow at 10.30 a.m.

Adjournment Matter

Hospital Services

Senator Maurice Cummins: The south-east region has a population of more than 470,000 people, one of the highest population bases as far as regional health care is concerned. The south-east region has the critical mass to develop a whole suite of regional services, which are necessary for any regional hospital. While some regional services are already based in the hospital, such as ENT, pathology, neo-natal care and orthopaedic surgery as well as such medical specialties as rheumatology, oncology, neurology and dermatology, other services should be regionalised, including cardiology, critical care, palliative care, emergency medicine, obstetrics, radiology, specialised paediatrics and general surgery and its sub-specialities, including major surgery. While these specialties should be delivered in the regional centre, other services should remain locally based, such as general medicine, medicine for the elderly, general paediatrics, acute assessment casualty and elective surgery as part of a regional service.

Historically, funding for the south-east region was split among four locations and this has resulted in the fragmentation of health care resources and services, the inadequate development of specialist services and an under-development of regional hospitals. There is a lack of local governance because the HSE South is centred in Cork. There is a lack of direction from the HSE, which is over sensitive to political issues and this has resulted in poorly informed decision making. The Reconfiguration Steering Group was established in 2009. There has been no report as of yet and no agreement from the group. We have witnessed the continual undermining of the process and the clinical lead has resigned. I suggested he resigned because of the lack of progress and because of the direction the group was taking. These simply could not be countenanced from a medical and clinical point of view.

Will the Minister of State and the HSE inform me what reason was given for the resignation of the clinical lead? What does the Minister of State intend to do to bring this process back on track, with the best outcomes for patients as the sole prerogative of the group, rather than

medical or local politics, which only lead to the muddying of the waters? The failure to develop new services that I have outlined will result in consultants leaving the regional hospital and the loss of services rather than their continued development. Although designated as one of the centres of excellence for cancer care, the resources have not been provided to Waterford Regional Hospital nor have the necessary supports to develop the centre been put in place, although that is what it deserves.

Last year the hospital outlined requirements for major capital investment in the areas of critical care, cancer care, hospice, accident and emergency and theatres. We need a clear and unambiguous direction from the HSE and the Minister in this regard. Capital investment in Cork last year amounted to €87 million but less than €500,000 was invested in Waterford Regional Hospital. This speaks volumes about the lack of investment in the hospital. The regional centre simply cannot put up with this lack of investment from the Government and the lack of direction from the HSE, which clearly still exists.

We need answers and we need investment in the regional hospital. We need the same services that are available in other regional centres and we will not accept “No” for an answer. The south east has been hit badly by unemployment and so on. Our regional hospital is being treated in a disgraceful manner. We need investment now. I call on the Minister of State to refer to the areas and services I have mentioned, which lack the support of the HSE from a capital perspective.

Minister of State at the Department of the Health and Children (Deputy Áine Brady): I will take this matter on behalf of my colleague the Minister for Health and Children, Deputy Mary Harney. The Government is committed to ensuring the delivery of the best quality health services possible and to providing the highest possible standard of patient care in an effective and efficient way within the resources available. Patient safety and quality of care are at the core of how we provide health services. Patients get the best health outcomes when complex care is delivered in hospitals with high volumes of patients. Less complex care and many diagnostic services can and will be provided locally throughout the country.

Beginning in 2012, hospitals must comply with new licensing arrangements which will be underpinned by quality and safety standards. All hospitals will have to meet these standards, which will ensure people get the right care in the right place at the right time from the right person. Also, we must comply with the European working time directive, which requires the HSE to reduce the hours of non-consultant hospital doctors.

In light of these considerations the HSE commenced a review in 2009 of acute hospital services in the south east to ensure that they would be organised to meet the challenges of the future and to ensure the best health outcomes for patients. All hospitals in the south-eastern hospital group, including Wexford General Hospital, Waterford Regional Hospital, South Tipperary General Hospital and St. Luke’s Hospital, Kilkenny, are encompassed by the review. Senior clinical and management personnel from each hospital are involved. The process also involves extensive consultation with professional and service user interests throughout the region.

Since his appointment in 2009, the HSE’s National Director of Quality and Clinical Care has appointed several experts to examine how a range of specialist services can best be delivered. They will consult widely and work with the relevant professional bodies to develop safe and appropriate models of care nationally. Areas under examination include obstetrics, stroke services, neurology, rheumatology, diabetes, epilepsy, heart failure and cystic fibrosis. Decisions about how services are organised in the south east will be guided by this work. I emphasise that no decisions have yet been made with regard to the future organisation of hospital services

[Deputy Áine Brady.]

in the south east. When they are developed, the HSE also intends to bring its proposals to public consultation before final decisions are made.

On the Minister's behalf, I echo the appreciation expressed by the HSE to Dr. Colm Quigley for the significant contribution he has made as clinical lead for the review of acute services in the south east. Dr. Quigley has devoted a great effort to working with a wide range of health professionals and users of the health services to explore workable and appropriate options for the future delivery of hospital services. Dr. Quigley will continue to represent Wexford General Hospital at the south-east hospital reconfiguration steering group, which includes clinical directors from each of the four acute general hospitals in the region. Finally, I assure the House that, while no proposals have yet been finalised or decisions made, all four acute hospitals in the south east will continue to play a significant part in the delivery of hospital services to people living in the region.

Acting Chairman (Senator John Paul Phelan): Does Senator Cummins wish to ask a question?

Senator Maurice Cummins: With all due respect to the Minister of State, it is a pity the Minister for Health and Children is not here to address the problems. The Minister of State has not alluded to the reasons why the clinical director resigned. I wish to hear the reason the clinical director resigned. That might indicate why I have raised this matter on the Adjournment. It would provide more information on what is going on with the committee. In response, the Minister of State said no decisions have been made. That is the reason I raised this matter on the Adjournment. The committee has been set up since early 2009 and no agreement has been made. It is being stifled and stalled. I tabled this matter on the Adjournment to get decisions made on the use of the regional hospital.

Acting Chairman (Senator John Paul Phelan): Senator Cummins should pose questions to the Minister of State.

Senator Maurice Cummins: I asked a question but it was not answered. Why did the clinical director resign and when will the required capital investment be made? This is the thrust of the Adjournment motion and neither aspect has been addressed.

Deputy Áine Brady: I will pass on the questions from the Senator to the Department.

Senator Paudie Coffey: This matter follows on from where Senator Cummins left off. There is great concern in the south east and at Waterford Regional Hospital that the status of the hospital is being undermined, not by political interference but by medical interference from professionals and consultants in other hospitals. They are undermining the HSE reconfiguration attempts since 2009. This is a cause for concern. The Minister must listen to what all public representatives are saying and must take the HSE into hand. The executive seems to be operating at arm's length with little oversight by the Department. Billions of euro of taxpayers' money has been spent on health services every year. We need more transparency on this expenditure and we need the HSE to be fully accountable. It should let us know the progress of the reconfiguration and changes in the health service.

Senator Cummins has outlined the importance of Waterford Regional Hospital in servicing the populace in the south east. This area has a population of 470,000 people. A number of regional services are in place at Waterford Regional Hospital but some of them are not receiving the resources and support they deserve. One example is neurology. We are awaiting the

appointment of a consultant to treat neurology patients in the south east at Waterford Regional Hospital.

Services are fragmented throughout the region. One such example is cardiology. The ridiculous situation at Waterford Regional Hospital means whether one is treated at Waterford Regional Hospital depends on the time of the day or the day of the week one has a heart attack. We do not have 24/7 cardiology services to treat emergency patients who have heart attacks. This is the case in a regional hospital servicing the population base I referred to earlier. Why is that the case? Genuine attempts have been made by management teams in the HSE to address this problem but they are being undermined. There is interference and the Minister must take stock of what we are saying.

I acknowledge that Waterford Regional Hospital has been identified as a satellite centre for cancer care. All disciplines of cancer care are at Waterford Regional Hospital except radiotherapy. This is carried out by a private service at Whitfield Clinic. Waterford city and its environs is one of the few regions in the country without a hospice to deal with end-of-life issues. A promise had been made for a 20-bed hospice but that does not go far enough. A regional hospital should have the full range of palliative care, with all the necessary support and resources. I am a politician but we should not put up with political or medical interference in achieving that. Waterford Regional Hospital is what it says on the tin — a regional hospital servicing the entire south east. It needs critical mass for successful operation. It also needs resources. I appeal to the Minister to listen to what is being said. As public representatives, we are concerned at the lack of progress by the HSE management team. There seems to be a concerted effort to undermine that progress. We must listen to the concerns of colleagues from the south east. There is a hierarchy of needs and a hierarchy of service. Surely Waterford Regional Hospital should be at the top of the hierarchy.

A final example concerns figures quoted about the levels of capital investment. A comparison between Cork University Hospital and Waterford Regional Hospital shows that in the same timeframe, €85 million was invested in Cork University Hospital while €500,000 was invested in Waterford Regional Hospital. This matter must be addressed. I acknowledge the plans for a new accident and emergency unit at Waterford Regional Hospital but it is entitled to that and deserves it. The hospital deserves a full level of services to provide for the entire south east.

Deputy Áine Brady: I am taking this Adjournment on behalf of my colleague, the Minister for Health and Children, Deputy Mary Harney. The way in which we deliver acute hospital services to our communities and their wider regions is changing. The expert advice is that when delivering complex care, patient outcomes are better where sufficient volumes of activity take place and where the appropriate necessary staff and equipment are available. The evidence also emphasises the need for the delivery of timely pre-hospital and emergency care in an appropriate setting for fewer complications and healthier lives.

Waterford Regional Hospital is a pivotal component in the provision of acute services in the south east. Within a budget of €145 million and with a staff of almost 1,800, the 2010 service plan for Waterford Regional Hospital sets out targets for the treatment of 21,000 inpatient cases, almost 20,000 day cases and in excess of 131,000 outpatient attendances. Significant investment continues at the hospital. The Minister for Health and Children recently opened the new cardiac catheterisation laboratory. Waterford Regional Hospital is now the designated regional cardiology intervention centre and it serves a catchment population of more than 460,000 people. The capacity of this service will be further developed as resources allow. This will assure Waterford's role as a major centre for the diagnosis and treatment of cardiac disease.

The hospital's design brief and development control plan provides for phased and integrated development on the campus and additional accommodation for future requirements. The plan

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includes provision for critical care facilities and high dependency and cancer services units. The HSE has approved the expansion of Waterford Regional Hospital emergency department at a cost of approximately €10 million, and construction is expected to begin soon.

Waterford Regional Hospital is one of the two designated specialist centres in the HSE south region under the national cancer control programme. Waterford will provide initial diagnosis and surgery for the region by multidisciplinary teams. Chemotherapy and routine follow-up will be provided locally, as appropriate, as will palliative care.

The Health Information and Quality Authority, HIQA, reported in September that Waterford's breast cancer service meets the key requirements in the national quality assurance standards on symptomatic breast disease. Rectal cancer surgery is also centralised at Waterford. A rapid access diagnostic clinic for lung cancer opened this year and a similar clinic for prostate cancer is planned. A palliative care consultant was appointed in September 2009. A hospice site has been identified on the hospital campus under the development control plan. This will be progressed with the Irish Hospice Foundation. For palliative care for children, the HSE intends to appoint a clinical nurse specialist. I am confident that Waterford Regional Hospital will continue to be a vital component in the delivery of health services across the south east.

Senator Paudie Coffey: I have an important question. The last line of the response of the Minister of State, where she comments that Waterford Regional Hospital will continue to be a vital component in the delivery of health services across the south east, does not go far enough. It should be the lead component. It is the regional hospital serving an entire region. It is not just a vital component, which is true of any hospital. The Minister of State referred to the resources and investment in cardiology. We lost a leading consultant in cardiology last year because resources were not allocated. When will the cardiology unit in Waterford Regional Hospital be properly resourced in order that it can provide a 24/7 emergency service, as any regional hospital should provide? It is not doing so at present. I appeal to the Minister of State to take the HSE into hand. If we cannot get it, at least the Minister and departmental officials should secure full accountability from the Health Service Executive lead teams which are managing reconfiguration of the service.

Deputy Áine Brady: The cardiology service will be expanded as resources allow. I have taken on board the point made by the Senator on the availability of the service 24 hours a day, seven days a week.

Senator Liam Twomey: I am concerned about the way health services are delivered in County Wexford. This ties in with the issues raised on the Adjournment by the two previous speakers.

The general manager of St. Vincent's University Hospital wrote to general practitioners in County Wexford to state the hospital was no longer in a position to see public patients from the county. That means patients who require tertiary services, namely, highly specialised services such as plastic surgery, will no longer be seen in St. Vincent's University Hospital. Instead of having to travel for between 50 minutes and one hour to St. Vincent's University Hospital, they will now have to travel three and a half hours to Cork University Hospital. There is no direct train or bus service to that hospital. This shows the ridiculousness of the thinking of the Health Service Executive, that patients living within one hour of a hospital must now travel three and a half hours to fulfil the administrative needs of the executive.

A number of patients from north County Wexford also attend St. Vincent's University Hospital for specialised regional services such as ear, nose and throat services. They have now been told they must travel to Waterford. When I initially heard the news, I asked GPs about their concerns. They said the waiting time was approximately six to nine months for a public

ear, nose and throat outpatient's appointment in St. Vincent's University Hospital, but one had to wait for up to two years for an appointment in Waterford Regional Hospital.

The Minister of State has indicated the Minister for Health and Children is in favour of the effective and efficient delivery of health care services. One thing she is not interested in, however, is equality in the delivery of such services. When I made further inquiries, I found out that one had to wait for approximately nine months for an orthopaedic outpatient's appointment in St. Vincent's University Hospital, while one had to wait four years for an appointment in Waterford Regional Hospital. One sometimes has to wait weeks but normally less than three months for a scope procedure, used to diagnose stomach or bowel cancer, in St. Vincent's University Hospital if a doctor contacts the consultant specialist there. In Waterford Regional Hospital and Wexford General Hospital one has to wait far longer because the services are completely under-resourced in both hospitals.

I would like to get a straight answer to my questions from the Minister of State. If Waterford Regional Hospital is not functioning, as is the case — it does not even compare to St. Vincent's University Hospital — is it because the resources provided for it are insufficient or is it because there is incompetent management? I want these questions answered because they are issues the people in the south east want to have addressed. I refer to the concerns expressed by my two colleagues, that in Waterford one should only have a heart attack three days a week between 9 a.m. and 5 p.m., whereas one can have one at any time of the day in Dublin. People in Wexford want to know if they have a substandard regional hospital in comparison to people living in Dublin in which there are five major hospitals and four general hospitals serving a population of approximately 1.4 million. Given that hospitals in Dublin are writing to general practitioners in County Wexford to state they will no longer see patients with an address in County Wexford, I wish to know what the Minister is going to do to improve services rapidly in Waterford Regional Hospital and Wexford General Hospital because we are capable of doing much of the work required ourselves if given the resources.

The Minister of State referred to the catheterisation laboratory and the rapid access diagnostic clinic for prostate cancer in Waterford Regional Hospital. However, there are no fully functioning urologists in Waterford Regional Hospital. There was no urologist in the hospital up to a few months ago and in its wisdom the Health Service Executive then took on three. However, it has not allocated any resources to provide the urology services available in St. Vincent's University Hospital.

There is marked apartheid in the delivery of care services in the capital and 100 miles down the road in County Wexford. Much of this is being driven by the nonsensical administrative ideas outlined by members of the Health Service Executive who literally draw lines on the map and say if one is on one side of the line, one will receive a first-class service, but that if one is on the other side of the line, one will receive whatever service it happens to make available at the time within existing resources. That is the type of rubbish that has become the hallmark of the Government and we want to see it stopped. In the context of the setting up of a unifying service, namely, the Health Service Executive, we want the service to be available to everyone in exactly the same way no matter in which part of the country one lives.

Deputy Áine Brady: I am taking this matter on behalf of my colleague, the Minister for Health and Children, Deputy Harney.

The HSE has confirmed to the Minister that St. Vincent's University Hospital has recently written to general practitioners in the Wexford area to advise them that, owing to an increase in general practitioner referrals both from within and outside the hospital's catchment area, it is only able to provide ear, nose and throat and plastic surgery services for GP referrals from within the catchment area. The hospital has written to general practitioners situated outside its

[Deputy Áine Brady.]

catchment area to advise them of the situation. It has proposed to them that they should consider referring patients to the appropriate clinical services in their local hospital in the first instance. It is the hospital's intention that this will facilitate the patient being seen in a more timely manner.

Cork University Hospital provides plastic surgery services for the south-east hospital group in its plastic-maxillofacial unit. The Health Service Executive plans to develop a plastic surgery service in the south east as a matter of priority. Regional ear, nose and throat services are provided in Waterford Regional Hospital, but there may be sub-specialties that are appropriately referred to national or other regional centres such as Cork University Hospital. It would not be appropriate for me to comment on a particular case. However, the Health Service Executive has assured the Minister that patients referred for treatment will be prioritised on the basis of clinical need. The priority list is regularly updated. It is important that there is a co-ordinated approach to the management and treatment of patients in order that patients who require treatment can receive it as quickly as possible in the appropriate health care setting. The Minister has asked the Health Service Executive to address the issue as a matter of priority.

Senator Liam Twomey: I guarantee the Minister of State that I will continue to pursue the matter until I receive a straightforward answer. I am not finished yet. Given what I said, how could the Health Service Executive write such rubbish? Is the reference to “in a more timely manner” made in the context of a patient travelling between Gorey and Cork, or is it made in the sense that instead of having to wait for six months, one will have to wait for four years, or that instead of having to wait weeks, one will have to wait months to have bowel cancer diagnosed? That is the sort of nonsense written in some of the replies we receive in this House. If that is the policy to be enforced by St. Vincent's University Hospital, is the Health Service Executive stating the funding Dublin hospitals receive for the 15% of patients who historically have come from outside of their catchment areas will be reduced and that the money will be transferred to Waterford Regional Hospital to make up the shortfall in treating patients who will not be seen in a Dublin hospital? The Minister of State must answer that question. It is very easy for hospitals to state they will not see patients from outside their catchment areas, but they have received funding for that purpose for a number of years.

Deputy Áine Brady: The Senator wishes me to ask whether Waterford Regional Hospital is under-resourced or if the problem there is due to incompetent management. He also wishes me to ask whether the funding received by Dublin hospitals for treating patients from outside their catchment areas will be transferred.

Senator Liam Twomey: I appreciate that.

The Seanad adjourned at 7.50 p.m. until 10.30 a.m. on Thursday, 28 October 2010.